

Herald Tribune

Published With The New York Times and The Washington Post

ZURICH, THURSDAY, FEBRUARY 21, 1985

Algeria 4.60 Dn. Israel 15.60 Dn. Norway 7.00 Dn.
Australia 20.50 Dn. Jordan 1.00 Dn. Oman 0.70 Dn.
Belgium 4.60 Dn. Kuwait 1.00 Dn. Qatar 6.50 Dn.
Canada 1.20 Dn. Lebanon 0.50 Dn. Saudi Arabia 4.00 Dn.
Cyprus 2.00 Dn. Libya 0.50 Dn. Spain 1.10 Dn.
Denmark 4.60 Dn. Luxembourg 0.50 Dn. Sweden 2.00 Dn.
Egypt 1.00 Dn. Monaco 1.00 Dn. Switzerland 2.00 Dn.
France 4.60 Dn. Morocco 1.00 Dn. Taiwan 0.50 Dn.
Germany 2.00 Dn. Netherlands 2.00 Dn. Turkey 1.00 Dn.
Greece 2.00 Dn. New Zealand 2.00 Dn. U.S. 1.00 Dn.
Hong Kong 1.00 Dn. Singapore 1.00 Dn. Yugoslavia 1.00 Dn.

ESTABLISHED 1887

The Globe Newspaper
Printed Simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague and Marseille

WEATHER DATA APPEAR ON PAGE 14

No. 31,727

Israel May Speed Up Withdrawal Plans

Even Former Partisans of Invasion
Of Lebanon Now Doubt Its Utility

By Thomas L. Friedman
New York Times Service

JERUSALEM — Mounting Israeli casualties in southern Lebanon and a growing feeling that little is to be gained from staying there are generating heavy pressure to pull out the occupation army even faster than originally planned.

The Israeli cabinet is expected to hold an extraordinary session soon to set a date for the second part of the three-stage pullout, primarily from the eastern Bekaa front with the Syrians.

The second stage, which would pull back troops to within 10 to 15 miles (16 to 24 kilometers) of the Israeli border, is expected to take place in April, after the snow melts. The final stage is tentatively set for August.

On Saturday, the first phase was completed when troops were withdrawn from the area around the port city of Sidon. On Sunday, Yigal Hurwitz, a former member of the conservative Likud bloc who is a minister without portfolio, proposed to the cabinet that the army withdraw without any further waiting.

On Tuesday, Communications Minister Amnon Rubenstein, as well as several Labor Party and Likud members of the Knesset, Israel's parliament, added their

voices to those calling for a speedier pullback.

The new mood was evident Tuesday in Yehudi Aharouch, Israel's largest newspaper, which is traditionally pro-Likud and enthusiastically supported the invasion of Lebanon in June 1982. In an unusual front-page editorial signed by the editor in chief, Herzl Rosenblum, the newspaper said:

"What is being done to us by the Lebanese — their gangs and government authorities — is the worst thing, the wildest hooliganism. They are murdering our people who are in the process of a full withdrawal from the area. They lurk waiting for them behind every corner to kill them before they get out of the hell."

It added that the Syrian president, Hafez al-Assad, was "standing behind the murderers along with that complete zero Amin Gemayel."

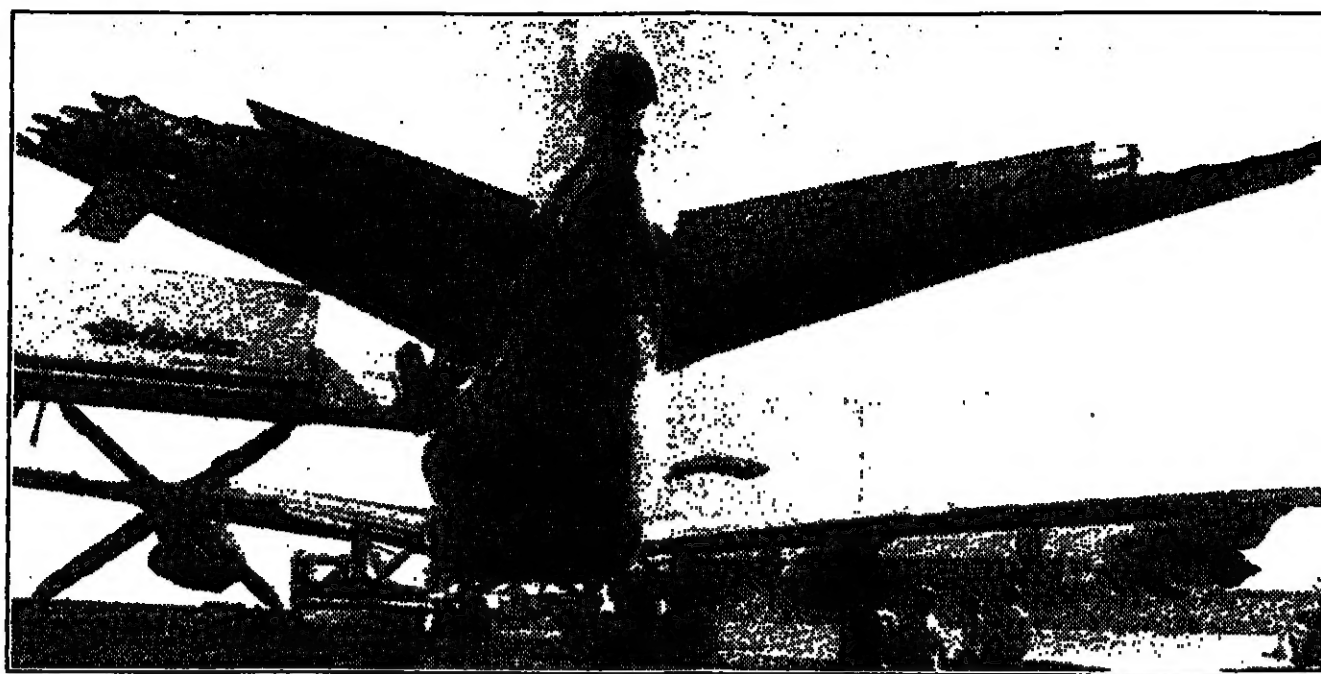
Because Israel does not want to respond to these attacks by destroying the southern Lebanese towns and people, the Yehudi editorial continued: "We do not have the means to paralyze them in any other way. We must get out of there, not in stages, long-term or short-term, but immediately — today — and not stay there even a minute too long."

A senior Defense Ministry official commented upon reading the editorial: "If they are calling for our withdrawal then there is no one left to ask us to stay. They would have supported our invasion of Turkey before."

[Prime Minister Shimon Peres said Wednesday that he saw no reason to speed the withdrawal, Reuters reported. At a press conference after two days of talks with Italian officials in Rome, he said: "I believe we should continue the plan in its totality and as planned."]

Several recent developments seem to have heightened the growing feeling against remaining in Lebanon.

The first was the sharp increase in the number of guerrilla attacks



This China Airlines 747 landed safely in San Francisco after falling six miles over the Pacific. The rear stabilizers were damaged by the landing-gear doors, which were ripped off when the pilot lowered them to control the fall.

Jumbo Falls 6 Miles Toward Pacific; Pilot Restarts Engines, Lands Safely

Compiled by Our Staff From Dispatches

SAN FRANCISCO — A jumbo jet flying from Taiwan lost power in all four engines Tuesday and plunged more than six miles (about 9 kilometers) toward the Pacific Ocean before the engines restarted.

The Boeing 747, en route from Taiwan to Los Angeles with 250 passengers, was extensively damaged but made a safe emergency landing at San Francisco more than an hour later.

About 50 people complained of minor injuries, including head and neck strain, dizziness and nausea. Several people passed out when the plane landed. Eighteen persons were treated and released, and two flight attendants remained hospitalized for back and head injuries.

When the plane began its dive, "People were popping up like popcorn," said a passenger, Seksan Canyo of Los Angeles.

The crew told the Federal Aviation Administration that "they had a problem with one engine of the aircraft and they were descending from their altitude because they didn't think they should maintain their altitude with only three en-

gines" and then that "their other three engines ceased as they were descending," according to a spokesman of the National Transportation Safety Board in Washington, Ira Furman.

A spokesman of the San Francisco International Airport, Ronald Wilson, said China Airlines Flight No. 6 had been uneventful until shortly before 11 A.M., when the airliner was at 41,000 feet (about 12,500 meters) and brunched was being served about 500 miles west of San Francisco.

He said the airplane "encountered turbulence that may have been a powerful wind shear." Wind shear occurs when there are abrupt changes in the direction or speed of airflow.

"The 747 went into a very sharp, steep and swift descent," the spokesman said, "spinning violently to the left."

"During this descent, the airplane was subjected to extreme stress, and anyone who was not strapped down was thrown against the ceiling and the right hand side of the cabin."

slow the plane by lowering its landing gear, but the doors of the landing gear were torn off, evidently by hitting and damaging the left and right horizontal stabilizers.

The spokesman for the transportation board said a 10-foot section of the left stabilizer was torn off, and a five-foot section of the right stabilizer was also severed.

The left wing flap was damaged. Mr. Wilson said the pilot slowed his dive after two minutes and regained control at 9,000 feet and contacted San Francisco, declaring an on-board emergency and asking clearance to land.

After landing, Captain Mei Ho apologized to the passengers for "the inconvenience and discomfort."

The passengers told of their fears and expressed gratitude and admiration for the pilot's handling of the situation.

"I had given up, when I looked out the window and saw the sea coming up at me so fast," said Harold Chom of Riverside, California. (AP, LAT)

U.S. Court Enhances Federal Sway Over States

By Linda Greenhouse
New York Times Service

WASHINGTON — Taking the rare step of overruling one of its own recent precedents, the Supreme Court has significantly enhanced the power of the federal government to regulate state activities that had been considered immune from federal control.

Tuesday's decision, one of the court's most important rulings on the subject of federalism, created a new framework for analyzing the constitutional balance between federal and state authority.

The court ruled, 5-4, that federal minimum wage and hour standards cover employees of publicly owned mass transit systems. In immediate practical terms, the decision is likely to lead to higher wages for transit workers. While nearly all these employees receive more than the minimum wage, they typically work split shifts, with long breaks between the morning and evening rush hours, and would receive increased overtime pay.

By extension, the decision also restores most state employees to protected status under the Fair Labor Standards Act. A 1976 decision, which the court overruled Tuesday, held that the constitution did not permit Congress to extend wage and hour coverage to state employees because to do so would "directly displace the states' freedom to structure integral operations in areas of traditional governmental functions."

As important as the decision is for state and local employees, the court went further: it swept away the theoretical underpinnings of what has been known as the "new federalism." This was the doctrine, for which the 1976 decision served as the rallying cry, that the constitution gives the states special protections and sets affirmative limits on the federal government's power to interfere in state affairs.

With "rare exceptions," Justice Harry A. Blackmun wrote for the majority Tuesday, the constitution imposes no such limits. Rather, he said, the states are protected against federal intrusions into their sovereignty only to the degree that they can use the "political process" to protect themselves.

It is "the structure of the federal government itself" that protects the states, Justice Blackmun continued, and not any "judicially created limitations on federal power." He said efforts by the Supreme Court and the lower courts to impose other limits on the power of Congress had proven "both impracticable and doctrinally barren."

Citing the presence of state delegations in Congress and the states' role in the Electoral College, Justice Blackmun said, "The political process ensures that laws that unduly burden the states will not be promulgated."

Justice Blackmun appeared to be implying that once the states have lost a battle in Congress, the judiciary should interfere only with extreme reluctance, if at all.

In a bitter dissenting opinion, Justice Lewis F. Powell Jr. accused the majority of abandoning the court's age-old principle of judicial review and of establishing in its place the doctrine that federal political officials "are the sole judges of the limits of their own power."

Justice Powell said, "The states' role in our system of government is a matter of constitutional law, not of legislative grace."

The decision, Garcia vs. San Antonio Metropolitan Transit Authority, No. 82-1913, was the latest episode in an unusual chapter of constitutional history. Two other dissenters, Justices William H. Rehnquist and Sandra Day O'Connor, each suggested in their own opinions that the chapter may not yet have closed, and that Tuesday's

Thatcher Warns Of Effort to Split West on Arms

By Terence Hunt
The Associated Press

WASHINGTON — Prime Minister Margaret Thatcher of Britain warned Congress on Wednesday that the Soviet Union will attempt to divide the West during arms control talks and warned that "we should not expect too much too soon" from the negotiations.

Echoing a theme sounded by President Ronald Reagan, Mrs. Thatcher said, "Let us be under no illusions: It is our strength and not their good will that has brought the Soviet Union to the negotiating table in Geneva."

Mrs. Thatcher was the first British prime minister to address a joint session of the House and Senate since Winston Churchill did so on Jan. 17, 1952. After her speech, which was interrupted 24 times by applause, she went to the White House to confer with Mr. Reagan on arms control, the U.S. budget deficit and the soaring U.S. dollar.

Although Congress is deeply divided over how to trim the budget deficit, Mrs. Thatcher said: "We support so strongly your efforts to reduce your budget deficit. No other country in the world can be immune from its effects — such is the influence of the American economy on us all."

Mrs. Thatcher's Conservative Party has said that the U.S. deficit is draining international capital,

pushing up interest rates and weakening currencies abroad.

She said that the current strength of the dollar — which has driven down the value of the pound and made foreign goods less expensive in the United States — is causing difficulty for some U.S. export industries and creating pressure for trade barriers to a free market.

"I am certain that your administration is right to resist such pressures," she said. "To give in to them would betray the millions in the

The dollar continued higher on European foreign-exchange markets Wednesday. Page 7.

developing world, to say nothing of the strains on your other trading partners."

As Mrs. Thatcher addressed the legislators, about 100 supporters of the Irish Republican Army demonstrated outside to protest the British military presence in Northern Ireland. Armed security police lined the streets around the Capitol.

In her speech, Mrs. Thatcher denounced the IRA as "the enemies of democracy and of freedom, too." She said that she and Prime Minister Garret FitzGerald of Ireland were united in seeking a political solution to the problems of Northern Ireland.

Urging Americans not to give

(Continued on Page 3, Col. 3)

Sudan Acts To Reform Economy, U.S. Says

WASHINGTON — Sudan has cleared away most of the obstacles blocking the resumption of U.S. economic aid, the State Department has announced.

The department said in a statement Tuesday night that "relations between the United States and Sudan are excellent" and that such programs as food aid, development assistance, and military aid, totaling nearly \$200 million, have not been interrupted.

The department was responding to a report in The Washington Post last weekend that the United States and several other countries had cut back aid to Sudan because of economic turmoil in the country.

The statement said the reports gave rise to "the incorrect conclusion that there is a crisis in relations between the United States and Sudan."

The statement said that "several months ago it was decided to delay further disbursement of our economic support fund program pending the Sudanese government's implementation of an economic reform package."

"In recent weeks the Sudanese government has announced its support for many of the elements of the economic reform package, thus clearing most of the obstacles" to resumption of the aid plan, the department said.

The department also noted that Vice President George Bush would visit Sudan during an African tour next month.

"His visit underscores the close cooperative relations existing between Washington and Khartoum," the State Department said.

Thais Report a Clash With Vietnamese Troops



Thai troops standing guard over three Vietnamese soldiers captured in a clash Wednesday.

The Associated Press

ARANYAPRATHEE, Thailand — Vietnamese troops trying to take a hilltop inside Thailand clashed with Thai forces Wednesday, killing an officer and seriously wounding two soldiers, Thai military officials said.

The commander of the Thai armed forces, General Arthit Kamlang-Ek, said the Thai and Vietnamese exchanged artillery fire as Vietnamese soldiers attempted to take Hill 347 in Buriram province, about 60 miles (95 kilometers) northeast of here.

General Arthit said in Bangkok that a sub-lieutenant was killed and two enlisted men seriously wounded. He said that the Vietnamese were later forced back into Cambodia, where they were battling guerrilla groups resisting Cambodia's pro-Vietnamese regime.

South of Aranyaprathet, Thai military sources said, Khmer Rouge guerrillas trying to penetrate deeper into Cambodia fought off Vietnamese troops Wednesday along a 12-mile front.

Such clashes have occurred since last Friday, when Vietnamese forces swept into the Phnom Malai-Phum Thmey strongholds of the Khmer Rouge, forcing them to break up into small units.

The sources, who asked not to be identified, said the Vietnamese also staged probing attacks Tuesday against the defenses of Sanor Changan, the last camp of the Khmer People's National Liberation Front still intact after a three-

(Continued on Page 2, Col. 6)

Shultz Says Nicaragua Is Behind 'Iron Curtain'

By Bernard Gwertzman
New York Times Service

WASHINGTON — Secretary of State George P. Shultz has said that the people of Nicaragua have fallen "behind the Iron Curtain" and that the United States has a "moral duty" to prevent this from becoming permanent.

It was the first time that any Reagan administration official had characterized Nicaragua in terms of the Iron Curtain.

Before the House Foreign Affairs Committee on Tuesday, Mr. Shultz enlarged upon the administration's latest justification for helping the anti-Sandinist rebels in Nicaragua. In the past, the administration has argued that aid was needed to interdict arms to rebels in El Salvador. Increasingly, the justification has been posed in ideological terms — to defend liberty around the world.

In a radio broadcast on Saturday, President Ronald Reagan

called the Nicaraguan rebels "freedom fighters" and "our brothers," and urged continued aid in the face of strong opposition in Congress.

Mr. Shultz appeared before the committee primarily to defend the administration's request for \$14.8 billion in worldwide foreign aid for the 1986 fiscal year, which begins on Oct. 1.

But much of the discussion was over support for the Nicaraguan rebels. Mr. Shultz was pressed by Representative Gerry E. Studds, Democrat of Massachusetts, and Michael D. Barnes, Democrat of Maryland, to suggest alternatives to covert aid.

Mr. Barnes, who heads the subcommittee on Western Hemisphere affairs, said he was frustrated that the administration did not use international organizations such as the Organization of American States to bring pressure on the Sandinistas.

In response, Mr. Shultz declined to say how the administration planned to aid the rebels, whether it would seek continued covert aid, or some new approach. But in justifying the need for direct American aid, he asserted that Soviet control over Eastern Europe now was being extended to Nicaragua.

"I believe very strongly that we in the democracies simply cannot put up with a Brezhnev Doctrine," he said. "As you know, the Brezhnev Doctrine, in effect, states that once a country has been taken into the socialist camp it never can leave. Or to put it more colloquially, under the Brezhnev Doctrine, what's mine is mine, what's yours is up for grabs. I don't see any reason why we should put up with that."

He was referring to a Soviet viewpoint, expressed in Pravda, the Communist Party newspaper, that justified the Warsaw Pact intervention in Czechoslovakia in 1968 on the ground that it was necessary to keep the country communist. At

the time, Leonid I. Brezhnev was the Soviet leader.

The Soviet Union, while supportive of the Sandinist government in Nicaragua, and a supplier of arms to it, has avoided taking any formal action to bring it under the Soviet military or political umbrella.

But Mr. Shultz spoke as if Nicaragua was falling under Soviet control, and all that was preventing this from becoming final were the actions of the rebels. "What we have in Nicaragua is a government that is bad news," he said.

"I think we have to support those who stand up for freedom and democracy and liberty in their own country, wherever they may be," he said of the rebels. "I see no reason why we should slam the door on people just because they have somehow been taken behind the Iron Curtain. If you think of that

(Continued on Page 2, Col. 7)



President Reagan and Prime Minister Margaret Thatcher with Mr. Reagan's dog, Lucky, on a White House lawn.

INSIDE

■ New Zealand is excluded from more military maneuvers by the United States because of its anti-nuclear policy. Page 2.

■ The Spanish pilots' union cited a faulty map in the Bilbao crash that killed 148. Page 2.

■ Farm-state senators threaten to hold up business until their aid plan is approved. Page 3.

■ The Vatican warns laity to avoid "secularization." Page 5.

■ Mexico protests against U.S. border inspections. Page 3.

■ Drugs may improve learning as steroids aid athletic performance — and lead to similar ethical problems. Page 6.

■ Paul Volcker, the Federal Reserve Board chairman, says the central bank has stopped easing its monetary policy. Page 7.

■ Saudi Arabia is in the midst of a painful period of retrenchment, one that may last through the rest of the 1980s. Page 7.

■ Personal income in the United States rose 0.5 percent in January. Page 7.

Farm State Senators Link Aid Package to Meese's Nomination

By Dan Balz
and Margaret Shapiro
Washington Post Service

WASHINGTON — Angry farm state senators, desperate for an emergency aid package for farmers on the brink of bankruptcy, have threatened to hold hostage legislative actions in both the Senate and House of Representatives until the program is worked out with the White House and Senate leaders and scheduled for a vote.

The farm state legislators threatened Tuesday to filibuster the vote in the Senate on confirming Edwin Meese, 3d as attorney general and are considering the possibility of attaching a farm-credit package to an emergency aid program requested by the Reagan administration for African drought victims.

"We cannot wait," Senator David L. Boren, Democrat of Oklahoma, said in threatening to filibuster the Meese nomination. "We need action in the next few days to avert disaster."

Senator Mark Andrews, Republican of North Dakota, said that an "obvious coalition" was forming among senators who oppose Mr. Meese and those who want action on farm legislation. Mr. Boren predicted that it would be "very hard" for the Senate leadership to find the 60 votes needed to shut off debate and force a vote on Mr. Meese.

The filibuster threat provoked a testy response from the Senate majority leader, Robert J. Dole, Republican of Kansas, who warned his colleagues not "to play political games" over the nomination.

He told the farm state legislators that if they continue to pressure him on farm aid by tying up the Meese nomination, "We may not get around to addressing the problem."

On Wednesday, as meetings concerning the timing of the vote

were held between lawmakers and Reagan administration officials, Mr. Dole called the delaying tactics "blackmail." The Associated Press reported.

[President Ronald Reagan's chief spokesman, Larry Speakes, also denounced the action. "To hold the Meese nomination hostage for farm legislation is just not the way to do business," he said. "We want the Meese nomination to come forward and be voted on, so the new attorney general can take office."

"We're adamant" on the issue, the spokesman said, adding that the White House would be willing for farm issues "to come up in the Senate and stand on their own two feet."

Senator Tom Harkin, Democrat of Iowa, said Tuesday that some of his farmers have been "waiting two to three years" for help from the government. He asked Mr. Dole earlier why it was more important to take up the Meese nomination now rather than helping farmers "who are going under."

Mr. Dole predicted that Mr. Meese would win confirmation easily, despite objections to his nomination by some Democrats.

He and Senator Jesse Helms, Republican of North Carolina, chairman of the Senate Agriculture Committee, met with Mr. Boren, Senator J. James Exon, Democrat of Nebraska, and Senator Alan J. Dixon, Democrat of Illinois on Tuesday in an effort to head off the filibuster.

The farm state legislators emerged to say that Mr. Dole and Mr. Helms had agreed to get the administration to "price out" various proposals for helping thousands of beleaguered farmers who face possible bankruptcy if they cannot get credit to help plant their spring crops.



REMEMBERING IWO JIMA — Edward J. Morawiec of Milford, Connecticut, and Isaac Chishima of Japan hold their national flags over the memorial unveiled this week on Iwo Jima, where one of the fiercest battles of World War II was fought 40 years ago. Several hundred veterans and their families assembled on the island for the anniversary.

U.S. Bankers Greet Shuffle In Argentina

By Nicholas D. Kristof
New York Times Service

NEW YORK — American bankers have welcomed the appointment of Juan Sourrouille as the new economics minister of Argentina. They said he appeared to be less abrasive than his predecessor, Bernardo Grinspun, and more committed to an economic discipline that bankers say is needed in Argentina.

But many bankers cautioned Tuesday that it was too early to tell if the ministerial shuffle, announced Monday night, represented a fundamental change of policy.

An Argentine official in the United States confirmed reports that President Raul Alfonsín had asked Mr. Grinspun to resign. The president of the Argentine central bank, Enrique Garcia Vazquez, was also asked to resign and was replaced by Alfredo Concepcion, former secretary of internal commerce.

The official, who asked not to be identified, said, "It's simply a changing of the guard, and a more coordinated, on inflation."

U.S. bankers dealt with Mr. Grinspun, often in arduous negotiations, over Argentina's \$45-billion foreign debt, the third-largest in the developing world. Only the debts of Brazil and Mexico are larger.

Many said that Mr. Sourrouille, who was educated at Harvard, had pushed for export-oriented policies and an assault on inflation. These economic views generally are shared by Argentina's approximately 320 creditor banks and by the International Monetary Fund.

Mr. Sourrouille, 44, in his previous position as planning secretary, had drafted a five-year plan for the Argentine economy calling for promoting the country's neglected agricultural sector, and for encouraging agricultural and industrial exports.

A recent article in *El Economista*, an Argentine economics journal, said that Mr. Sourrouille also favored attacking short-term problems, of which inflation is the most pressing, before moving on to other tasks. Inflation was more than 750 percent in the 12 months ending in January.

Cuts Linked to Poverty

A study by the Congressional Budget Office says that eliminating the 1986 cost-of-living adjustment in federal benefit programs would save \$6.6 billion next year but would push 530,000 people into poverty, *The New York Times* reported from Washington.

Two-thirds of the newly poor people would be elderly, the study said. In 1984, for example, an elderly couple was classified as poor if it had an annual income of less than \$6,280.

The budget office studied 10 cash benefit programs with automatic inflation adjustments. The programs, with automatic inflation adjustments, account for \$254 billion, or slightly more than one-fourth of all federal spending this year, the study said.

With no change in current law, the anticipated cost-of-living adjustments would increase federal spending by \$7 billion next year and by a total of \$153 billion from 1986 through 1990.

Mexico Protests to U.S. Over Border Inspections

By William Orme
Washington Post Service

MEXICO CITY — Mexico has delivered a diplomatic protest note over paralyzing customs inspections of Mexican border traffic and other expressions of American dissatisfaction with Mexico's search for a kidnapped U.S. narcotics agent.

For the past four days, Mexican motorists crossing into the United States have been subjected to exhaustive inspections by U.S. customs officers, who are said to be seeking clues to the Feb. 7 abduction in Guadalajara of Enrique Camarena Salazar, a U.S. Drug Enforcement Administration official.

The resulting border tie-ups have been "clearly a way of putting pressure on the Mexicans to shape up and get something going" in the Camarena investigation, one informed U.S. source said.

In response, Foreign Minister Bernardo Sepulveda Amor ordered Mexico's ambassador in Washington, Jorge Espinoza de los Reyes, to present a diplomatic note to the State Department demanding an explanation, Mr. Sepulveda said Monday.

Breaking with precedent, the United States did not inform the Mexican government of the border action beforehand, Mr. Sepulveda said.

A State Department spokeswoman in Washington declined comment on the report of the diplomatic protest.

"We haven't found any justification whatsoever" for the U.S. action, Mr. Sepulveda said Monday on Mexico's state television network.

There have been no breakthroughs in the Camarena case, and U.S. law enforcement officials think that Mexico "is not pursuing its investigation with vigor and intensity," a U.S. source said.

Last week, Attorney General William French Smith sent a cable to his Mexican counterpart, Sergio Garcia Ramirez, also "expressing frustration and disappointment" with the Mexican response, the U.S. source confirmed.

Mexican officials voiced resentment at this U.S. criticism, saying they have deployed nearly 100 federal police agents and 200 state policemen in the search for Mr. Camarena.

One factor slowing the investigation, some U.S. officials suggested, could be the influence of Mexican drug rings over some local law enforcement authorities. Mr. Camarena, at the time of his kidnapping, was believed to have been investigating the bribery by narcotics traffickers of unidentified officials, Mexican police spokesmen said.

If the U.S. authorities "have evidence of inefficiency in Mexico's police forces, they should present it to us formally, without resorting first to these kinds of pressures," an aide to President Miguel de la Madrid said.

John Gavin, the American ambassador, met with Mr. de la Madrid on Monday afternoon to discuss the issue, U.S. and Mexican sources confirmed Tuesday. One item believed to have been discussed was the possible issuance by the State Department of an official "travel advisory" warning American tourists of the potential risks of a visit to Guadalajara and its environs.

Mayor Takes Refuge in U.S.

The opposition candidate in the violently disputed contest for mayor of Piedras Negras, Mexico, said Tuesday that he was staying across the border in Eagle Pass, Texas, for an indefinite period after receiving "threats, including death threats" in his own town, *The New York Times* reported.

The candidate, Dr. Eleazar Cobos of the National Action Party, said that "if the political repression continues in Mexico and Piedras Negras" he might seek political asylum in the United States, but was awaiting instructions from the party leadership.

The move followed a new outbreak of violence in Piedras Negras last weekend in which at least four people — three of them Mexican judicial policemen — were hurt.

Since its municipal elections on Dec. 2, Piedras Negras has become one of the Mexican government's most intractable political problems.

Both sides acknowledge that the vote for mayor was close, but the state legislature, which is controlled by the governing Institutional Revolutionary Party, awarded the office to Carlos Juarez Septien, the ruling party candidate.

U.S. Court Enhances Federal Sway Over States

(Continued from Page 1)

Chief Justice Warren E. Burger also dissented. Justice Blackmun's majority opinion was joined by Justices William J. Brennan, Byron R. White, Thurgood Marshall and John Paul Stevens.

The key role was that of Justice Blackmun. He had been a reluctant member of the 5-to-4 majority in the 1976 decision, which was written by Justice Rehnquist. That decision, *National League of Cities vs. U.S.*, struck down Congress' extension of the Fair Labor Standards Act to state employees by resurfacing one of the most obscure provisions of the bill of rights, the 10th amendment.

The 10th amendment provides that powers not granted by the constitution to the federal government "are reserved to the states respectively, or to the people." The National League of Cities decision found in that amendment an affirmative check on the ability of Congress to exercise its power over interstate commerce in ways that affected the "states as states."

It was the first time in 40 years that the court had invalidated an action taken by Congress under the Commerce Clause power, and the decision appeared to herald a major shift in the federal-state balance of power.

That promise did not materialize, however, as the court seemed to pull back from the full implications of the 1976 decision. In 1972, for example, the court ruled that employees of the state-owned Long Island Rail Road had a federally guaranteed right to strike, despite the 10th amendment, because running a railroad was not a "traditional" state function. In 1983, a 5-4 decision that Justice Blackmun joined held that Congress could over state employees under the federal age discrimination law.

By the time the court reached the mass transit case, it was apparent that the National League of Cities doctrine was severely frayed. A Federal District Court in Texas had ruled, based on the 1976 decision, that San Antonio was immune from being required to pay its mass transit workers according to federal wage and hour scales.

Both the transit workers and the federal government appealed to the Supreme Court, arguing that mass transit was not a traditional state function and that the 10th amendment analysis should not apply.

The National League of Cities issued a statement saying the court had "clearly upset any semblance of balance between the interests of federal policy and our once-proud traditions of local self-government."

Justice Blackmun's 28-page opinion did not discuss the 10th amendment. Rather, he discussed the extent to which the National League of Cities approach had proved "unsound in principle and unworkable in practice."

Kangaroo Call to Be Opposed

SYDNEY — Conservationists said Wednesday that they planned protests over an Australian decision to allow nearly two million kangaroos to be shot this year.

U.S. Studies Responses To Treaty Infringements

By Walter Pincus
Washington Post Service

WASHINGTON — The Pentagon is studying an increase in U.S. strategic nuclear forces "either inside or outside existing arms control constraints," or deployment of its own missile defenses if the Soviet Union breaks the 1972 anti-ballistic missile treaty and deploys a nationwide defensive system, according to Assistant Secretary of Defense Richard N. Perle.

Mr. Perle said this "will be expensive," but added that unless Congress appeared prepared to support such an effort "we would simply encourage the Soviet Union to further erode the ABM treaty."

He also said at a closed session of the Senate Armed Services Committee discussing Moscow's treaty violations that "we must now create penalties" that deny the Russians the "benefit of the advantage they gain from a violation."

Before the same panel, Kenneth L. Adelman, director of the Arms Control and Disarmament Agency, announced "the apparent cessation of chemical weapons use in 1983 and 1984, if our information is correct, by the Soviets and their surrogates in Afghanistan, Laos and Cambodia."

Mr. Adelman said he hoped that "if there is a cause and effect," it was exposure of the violations by the United States that "influenced Soviet behavior." The State Department's director of politico-military affairs, Lieutenant General John T. Chain, Jr., also appeared at the closed-door session. Unclassified versions of the officials' prepared statements were released while the three were still testifying.

The three made clear that alleged Soviet violations, which were detailed in a report sent to Congress on Feb. 1 by President Ronald Reagan, would, as Mr. Perle said, be "a significant element of new arms control negotiations with the U.S.S.R."

BACHELOR, MASTER, DOCTORATE
Earn a degree in the one and only field of study that is the most important to the future of our country. Earn a degree in the one and only field of study that is the most important to the future of our country. Earn a degree in the one and only field of study that is the most important to the future of our country.

Among the riches of Beverly Hills, a little gem of a hotel.

The Beverly Pavilion is one of two small, fashionable Beverly Hills hotels that are run in the European style, under the direct supervision of the proprietor himself. And we offer our guests the ultimate Beverly Hills experience: free limo service to glorious Rodeo Drive.



BEVERLY PAVILION
A Four Star Hotel
9360 Wilshire Blvd., Beverly Hills, CA 90212. Tel. 800. 691.366.



Business Travellers have accepted too little for too long.

Start doing what our passengers have done. Demand more. Demand better service and more comfort. Demand punctuality. Demand better food and higher quality wines. But don't accept a surcharge. Our passengers did all of the above and we listened. Together, we have turned SAS into the Businessman's Airline. It gives more. But it doesn't cost more. If you want to know how much nicer business travel can be, book yourself on one of our flights next time you fly.

SAS
The Businessman's Airline

Congress Urged to Take Lasting Action on Deficit

The Associated Press

WASHINGTON — Rudolph G. Penner, director of the Congressional Budget Office, said in congressional testimony Wednesday that only long-term changes, not temporary spending cuts, would be effective in reducing the "chronic" federal budget deficit.

"There are no simple and obvious ways of painlessly reducing deficits," Mr. Penner said. He gave the House Budget Committee a list of 123 recommendations for reducing the deficit.

Mr. Penner was the first witness as the committee began full-scale hearings on the budget before drafting a spending plan that is expected to differ significantly from the one President Ronald Reagan submitted last month.

He told the panel that, barring spending cuts or tax increases, and assuming good economic growth through the end of the decade, the deficit would rise from this year's level of slightly more than \$200 billion to nearly \$300 billion by 1990.

If the nation suffers a recession, he said, the deficit could rise to \$425 billion by the end of the decade.

Mr. Reagan's budget for fiscal 1986, which starts Oct. 1, calls for deep cuts in domestic programs combined with a \$30-billion increase in defense spending.

Many House Democrats appear ready to accept some domestic spending cuts, but others, including Representative William H. Gray 3d, a Democrat of Pennsylvania who is the budget committee chairman, have said they want a slowdown in Mr. Reagan's defense buildup as part of an overall deficit-reduction package.

Mr. Penner's report on options for reducing the deficit included 88 ways to cut spending and 35 possibilities for increasing revenues.

The spending proposals included cancellation of the MX multi-warhead strategic nuclear missile, at a savings of more than \$10 billion through 1990. The list also included

ed many of the domestic program cuts the president has proposed. The options for raising taxes include higher levies on dividends and capital gains, eliminating tax breaks that some businesses are permitted to use, and raising income tax rates across the board by 10 percent.

As a nonpartisan agency, the Congressional Budget Office made no recommendations on whether Congress should enact any specific option.

But, in his testimony, Mr. Penner tried to direct Congress' actions toward long-term changes.

"Policies that simply postpone expenditures are unlikely to improve financial markets, even though they may significantly reduce deficits in the short run," he said. Thus, he said, such policies were not likely to bring about a decline in interest rates.

"Conversely, policy changes that promise long-run savings may have a big market impact," even though those savings do not affect spending immediately, he said.

Cuts Linked to Poverty

A study by the Congressional Budget Office says that eliminating the 1986 cost-of-living adjustment in federal benefit programs would save \$6.6 billion next year but would push 530,000 people into poverty, *The New York Times* reported from Washington.

Two-thirds of the newly poor people would be elderly, the study said. In 1984, for example, an elderly couple was classified as poor if it had an annual income of less than \$6,280.

The budget office studied 10 cash benefit programs with automatic inflation adjustments. The programs, with automatic inflation adjustments, account for \$254 billion, or slightly more than one-fourth of all federal spending this year, the study said.

With no change in current law, the anticipated cost-of-living adjustments would increase federal spending by \$7 billion next year and by a total of \$153 billion from 1986 through 1990.

AFL-CIO Alters Traditional Policy, Urges Freeze on Military Spending

Washington Post Service

BAL HARBOUR, Florida — The AFL-CIO, for the first time in its 30-year history, has called for a freeze on military spending if domestic spending is cut or frozen.

The action Tuesday by the executive council of the 13-million-member labor federation marks a departure from its consistent support of military-spending increases. It was prompted by what the AFL-CIO called President Ronald Reagan's insistence on financing a military buildup through deficit spending and domestic cuts.

"The AFL-CIO remains committed to a strong defense," said Lane Kirkland, president of the federation. "But we are equally committed to a strong economy and social justice at home. We will, therefore, not support increased defense spending at the expense of programs that are vital to our domestic welfare."

"We strongly oppose the proposition that the security of this present generation ought to be paid for by future generations or that the security of the affluent classes in our society ought to be paid for by further stripping the neediest classes in our society."

In the past, the federation has strongly supported military-spending increases because of the strong anti-Communist views of its leadership and because many jobs depend on the defense industry. Mr. Kirkland said that organized labor still supported increased military spending, but "only if it is equitably paid for." During Mr. Reagan's first term, the AFL-CIO proposed that military increases be funded by a surtax on corporate and personal income.

Rather than increase taxes, Mr. Kirkland said, the administration has cut taxes, "especially for the wealthy, thereby shifting a greater burden for defense on working Americans."

Thatcher Speaks in U.S.

(Continued from Page 1)

financial aid to the IRA, she said the money "is used to buy the deaths of Irishmen, north and south of the border."

Reiterating her support of U.S. research on Mr. Reagan's program of space-based defense against nuclear weapons, the prime minister said, "The United States must not fall behind the work being done by the Soviet Union."

A British official who accompanied Mrs. Thatcher said that she "draws a clear distinction" between research and actual deployment and that she believes that deployment must be subject to negotiations with Moscow.

While Mr. Reagan has held out the hope that the plan, known officially as the Strategic Defense Initiative, will lead to the abolition of all nuclear weapons, Mrs. Thatcher sounded a different theme, quoting from Churchill's 1952 address to Congress:

"Be careful about all things not to let go of the atomic weapon until you are sure, and more than sure, that other means of preserving the peace are in your hands."

She added, "Thirty-three years on, those weapons are still keeping the peace."

Noting that arms talks are to resume in Geneva on March 12, Mrs. Thatcher said: "They will be intricate, complex and demanding. And we should not expect too much too soon. We must recognize that we shall face a Soviet political offensive designed to sow differences among us, calculated to create infirmity of purpose, to impair resolve and even to arouse fear in the hearts of our people."

"We know that our alliance, if it holds firm, cannot be defeated," Mrs. Thatcher said. "But it could be outflanked. It is among the unfree and the underfed that subversion takes root."

Reagan, 'Greatest Fan' Renew an Acquaintance

(Continued from Page 1)

condition that he not be identified, said there was "no disagreement on the basic thrust of the Strategic Defense Initiative." But he conceded there could be some disagreement between the United States and some European leaders on the long-range implications.

The official pointed out specific concerns among Europeans that their security could be at risk if the United States chose to protect its own territory with a defensive shield against nuclear weapons.

"We, in our discussions with the Europeans, have made completely clear," he said, "that we would not want a strategic defense system that only protected the United States, that kept the Europeans unprotected. This is the sort of issue that will come up in the talks."

Shortly before flying to the Unit-

Navy Offers Bonns to Pilots

New York Times Service

WASHINGTON — The U.S. Navy, worried by a sudden increase in the number of pilots leaving the service to work for commercial airlines, has begun offering cash enlistment bonuses of up to \$36,000 to its fighter pilots.

SKY CHANNEL
BROADCASTING TO CABLE COMPANIES
IN EUROPE & THE UK VIA SATELLITE

UK TIMES	13.35	14.30	15.00	15.45	16.30	17.30	18.00	18.30	19.00	20.10	21.05
	THE PHOENIX TEAM	NEW ANIMAL WORLD	SKY TRAX 1	SKY TRAX 2	SKY TRAX 3	MR. ED	THE LUCY SHOW	CHARLIE'S ANGELS	DIAGNOSIS	THE UNTOUCHABLES	1985 FILM WORLD DOUBLES TENNIS

CONTACT SKY CHANNEL, SATELLITE TELEVISION PLC FOR FURTHER INFORMATION
TELEPHONE LONDON (01) 636 4077 TELEX 266943

You'll always be recognised by your taste in Scotch.

Johnnie Walker Red Label. Since 1820. Recognised for good taste throughout the world.
JOHN WALKER & SONS LTD., SCOTCH WHISKY DISTILLERS, KILMARNOCK, SCOTLAND.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

America Held Hostage

What has been happening in Lebanon — and not happening in Iran — betrays a little-noted condition: President Reagan has no better answer to hostage-taking and terrorism than did President Carter.

A shadowy gang, presumed to be a group called Islamic Holy War, has held four Americans for months, presumably to win the freedom of some terrorists. It held a fifth American, Jeremy Levin of Cable News Network, for nearly a year until he fled last week.

Syria promptly freed the fleeing Mr. Levin, as if to distance itself from the kidnappers in its region of influence. This brought President Reagan's call of appreciation to a government that usually appears high on his list of regimes promoting terrorism. The president plainly hopes for more Syrian help.

Old memories of odd "private" ambassadors are really stirred by the recent arrival in Beirut of Muhammad Ali to lend a hand. But there is no point in mocking this desperate diplomacy, as there was no point in mocking Jimmy Carter's. These efforts underscore the

difficulties of dealing with unscrupulous adversaries who offer no easy target for reprisal. Clearly, Lebanon is not an appropriate target for Secretary of State George Shultz's recent desire to "isolate, weaken or punish states that sponsor terrorism against us."

But what of Iran, which does have an all-powerful government? Ten weeks have passed since its soldiers ostentatiously stormed a hijacked Kuwaiti airliner to seize four hijackers who had killed two Americans. It will not extradite them and has made no move to bring them to trial. That is a violation of the Hague convention against the unlawful seizure of aircraft, which Iran signed.

Harboring hijackers is a threat against all air travelers, and Iran offers an excellent target for lawful and appropriate reprisal: the suspension of air service. Forbidding flights to and from Iran would hurt, and it would hurt even more if pressure were applied to make other nations join the boycott.

Action in Lebanon is plainly difficult, but inaction toward Iran seems inexplicable.

—THE NEW YORK TIMES

Warm words are flowing from Washington to Damascus to thank the Syrians for their part in the freeing of Jeremy Levin, the American journalist held captive nearly a year in Lebanon by the terrorist group Islamic Jihad. Officials have it in mind that four other American citizens are still hostages and that the Syrians may yet be helpful in securing their release. The government of President Hafez al-Assad has used the occasion to present itself to the United States in the winning role of humanitarian and enemy of terrorism.

All right, the United States needs the help of many other governments in protecting its citizens on foreign soil. But let us not get carried away by the fantasy of Syrian-American brotherhood in the cause of anti-terrorism. At some point it would be interesting to know how it was that Islamic Jihad long managed to hold Mr. Levin — and manages still perhaps to hold the four other Americans — behind Syrian lines in a part of Lebanon that Syrian troops have occupied for almost 10 years. Not so many months ago the United States was openly accusing Syria of responsibility in terrorist acts directed against American forces in Lebanon. This is not even to mention the ruthless violence that the Syrian government has used against its own citizens at home.

The Jordanians and some PLO elements seem to be moving now toward a new round of Arab-Israeli negotiations. Whether they arrive depends, in one indelicate but essential particular, on whether the principals avoid being killed by the Syrian government or its Palestinian clients. The Syrians, distrustful of the current odds, refuse to sit down with the Israelis and negotiate. They fear, however, that a Jordanian-Palestinian combination will sit down, leaving Damascus out in the cold. Assassination is a standard Syrian-favored tactic to help keep that from happening.

How, then, should the United States deal with Syria? The country has an undeniable importance in its region, as it demonstrated anew by killing the Lebanese-Israeli withdrawal accord of 1983. It has the Soviet backing to make it a significant military power and the means to stay engaged in the political maneuvers of the Arab world. American diplomats now indicate, wisely, a readiness to take Syria into direct account. At the least, its interest in spoiling the initiatives of others must be bluntly stated. This appears to be one basis of Washington's rather exuberant praise of Syria after Mr. Levin's release. It will help to keep in mind, however, that the Syrians play a hard game.

—THE WASHINGTON POST

Dresden in Perspective

Forty years after 1,100 British and American bombers destroyed it, guilt about Dresden still lives. The sources of that guilt, however, have become fatuous as well as being factual. In thinking about Dresden, it is helpful to nurture a sense of perspective, and of irony.

Once, the ancient German city denoted delicacy: lace, porcelain dolls, culture. After the raids that began on Feb. 13, 1945, Dresden came to mean devastation. By some estimates, 135,000 people died; by comparison, the atomic bomb in Hiroshima killed 71,000.

But the devastation even of Dresden has been exaggerated. Revisionists equate this three-night holocaust with the Holocaust in which the monsters of Nazism immolated a whole generation. That is where the sense of perspective comes in.

Americans can feel sorrow for the desolation of Dresden, but it is the same sorrow once expressed by an American air commander, Lieutenant General Ira Eaker: "I deeply regret that British and U.S. bombs killed 135,000 in the attack on Dresden, but I regret even more the loss of more than 5 million Allied lives

in the necessary effort to completely defeat and utterly destroy Nazism." Not to mention the other tens of millions of victims — Soviet soldiers and civilians, Germans and non-Germans, Jews and non-Jews.

A sense of irony is useful in appraising the line taken by East German Communists since 1945: Dresden shows Western barbarity. As Sydney Gruson of The New York Times wrote from Dresden in 1959, their aim has been "to transform the bitterness that Dresdeners undoubtedly feel over the raid into sympathy for the Communists cause." Last week Erich Honnecker, the East German party leader, suggested that Western leaders remain mad bombers, impervious to Dresden's grisly lessons.

The irony here concerns the reason for the raids. The allies probably bombed Dresden to propitiate the Russians. Scholars describe Churchill as eager to impress Stalin with the West's ability to aid the advancing Soviet armies. Stalin's progeny, however, ignore that pressure in their denunciations of the West. The bombing of Dresden was horror enough without the bombing, also, of history.

—THE NEW YORK TIMES

Other Opinion

Anti-NATO Gangs in Europe

The Kremlin wanted to keep its missiles in place but deny NATO the ability to respond in kind. The members of NATO stood firm, despite demonstrations in cities throughout Western Europe. Having lost that struggle, the Soviets may be attempting to achieve the same ends by terrorist tactics. When different groups in five nations begin attacking the same targets with a plentiful supply of explosives, that is more than a coincidence.

—The Houston Chronicle

eruption in West European countries is that the gangs involved seem to have adopted roughly the same international target: NATO and the American military presence.

NATO is not the right forum for dealing with a threat to civil order. For the past few years contacts between the police forces and the relevant government departments of EC members have quietly been growing closer. A joint approach to terrorism may ensue, which ought to imply harmonization of extradition laws and procedures and ultimately criminal codes in dealing with cross-border crime.

If a Belgian bombs an American base in Germany and flees to Holland, it will be no disadvantage to be able to know that if he is caught anywhere between Jutland and the Peloponnese his fate will be the same.

—The Guardian (London)

FROM OUR FEB. 21 PAGES, 75 AND 50 YEARS AGO

1910: Turkey Angers the Bulgarians
ATHENS — The anger of the Bulgarians is wrought up to a very high pitch by the law against brigandage. Turkish officials are applying the law both to Bulgarians and Greeks [in Macedonia] with severity. Any one denounced as brigand or conspirator is condemned to death. Families and relatives of those arrested are held as being party to the crime, are dispossessed and, having forfeited their houses and lands, escorted over the frontier [with Bulgaria]. But that which hits the Bulgarians equally hard is that the Turks, while diminishing the Christian population in Macedonia, are increasing the Muslim population there. The new immigrants are placed along the frontier to form a dividing line between the countries. Sofia papers write fiercely as to the necessity of war with Turkey.

1935: Where Does Outer Space End?
PARIS — It was announced recently from America's greatest observatory, Mount Wilson, that nebulae five hundred million light years away had been photographed. The previous record was about four hundred million light years, so that the volume of the universe has been more than doubled. The sounding has been made only in the one direction in which the telescope was pointed but, no doubt, Dr. Edwin Hubble will be able to make similar tests in other directions and round out the universal sphere. Perhaps the most important fact about the new discovery is that nothing new was found. The greatest discovery which awaits the astronomical space voyager is that of where there are no more nebulae or stars and space is empty or perhaps ceases even to be space — whatever the phrase may mean.

Manila and Seoul: Working For a Less Imperfect Future

By William Pfaff

PARIS — What has been happening in South Korea and the Philippines is instructive.

The Philippine republic started out in 1946 as a rambunctious democracy with American-style institutions. These did not survive the political turbulence of the 1950s and '60s. The constitution was amended in 1973 to make Ferdinand Marcos, who had come to office in 1965, both president and prime minister without fixed term. Martial law was imposed from 1973 to 1981. The country's government became what President Marcos has correctly called "constitutional authoritarianism," with the emphasis on the noun.

The term equally fits South Korea. Except for one year at the start of the 1960s, South Korea has been under more or less dictatorial rule since the republic was created in 1948, when an old and authoritarian nationalist, who had struggled in the 1930s to free the country from Japanese rule, Syngman Rhee, was elected its president.

In both countries, opposition leaders who had taken refuge in the United States came home. The Filipino, Benigno Aquino, was murdered when he landed in Manila in August 1983. The investigating commission reluctantly appointed by President Marcos has assigned responsibility for the crime to military men, the highest ranking of whom, General Fabian C. Ver, is related to Mr. Marcos and is one of his closest friends.

In Seoul, Kim Dae Jung arrived home at the beginning of this month. He was immediately placed under house arrest and was blocked from addressing the Korean public, a fate already endured for some years by South Korea's other important opposition leaders. Nevertheless, a newly formed opposition group, the New Korea Democratic Party, has won a quarter of the seats in the National Assembly elections on Feb. 12 — coming in second to the governing party of president Chun Doo Hwan, ruler of the country since a military coup in 1979.

The U.S. government has looked upon these events with a divided mind, attentive to former UN Ambassador Jeane Kirkpatrick's distinction between "authoritarian" and "totalitarian" regimes. The policy counsel usually drawn from that intellectual distinction has been that one should support the former on the assumption that the alternative is the latter.

Under previous administrations in Washington, policy was also irresolute, wanting to see human rights respected but not at the cost of weakening governments committed to the American alliance. The Philippines has the most important U.S. air and naval bases in the western Pacific. South Korea, rescued from North Korean invasion in 1950-51 by a largely American army (operating under UN auspices), still has some 40,000 American troops stationed there.

North Korea, on the other hand, is undoubtedly one of the places Mrs. Kirkpatrick had in mind when she spoke of "totalitarianism." It is probably the closest to the totalitarian model we have in the contemporary world — "totalitarianism" taken to mean a system of ideologically motivated government which seeks not only political control but domination of the society's value system, its education and intellectual life, substituting ideology for religion, etc.

Totalitarianism, though, has proved a system thus far unable to perpetuate itself. It has consistently crumbled as the first revolutionary generation passes, as in China — and even in the Soviet Union, where the present system, however unlovely, bears little comparison to Stalinism. Although the son of North Korean dictator Kim Il

Sung is apparently being groomed to succeed his father, to continue a family rule that has lasted since 1948, it may be doubted that the experiment will succeed. Even in that effort, one sees the dynamic influence override the Leninist one.

South Korea and the Philippines, while very far from democratic government, are quite astonishingly vulnerable to pressure and change. Parliaments exist in both countries, however powerless. Elections are thought necessary, even if rigged. There actually are opposition leaders, even though they live under house arrest. Political murders do not take place in silence, but have to be investigated. All this represents a degree of freedom and of government accountability that the people of Poland and Czechoslovakia, for example, would be grateful to possess.

The investigation of the Aquino murder was a most impressive event. Of course it was in part the result of outside pressure. That pressure reinforced real political forces within the country with which President Marcos must now deal and which may well prove beyond his power to resist. Kim Dae Jung felt he could return to South Korea because a crowd of American well-wishers



went along, and the U.S. Embassy was compelled to look after them, and him as well. The elections which followed have significantly weakened the position of the Chun government.

This is not much, to be sure. Ours, however, is an imperfect world, in which it is important to take note of the fact that some situations are less imperfect than some others, and to pay tribute to those people — Filipino and Korean in these cases — who cause this to be so.

© 1985 William Pfaff

A Case for Breaking With Marcos

By Raymond Bonner

NEW YORK — The rallying cry of the Communist-led New People's Army in the Philippines is the "U.S.-Marcos dictatorship." This suggests that the way to defeat the Communists and restore democracy to the Philippines is for Washington to sever its ties to President Ferdinand Marcos or, at the very least, require an end to human rights abuses as a condition for U.S. aid.

The United States should withhold support or aid of any kind that will prolong Marcos in power," says Jaime Ongpin, 46, the Harvard-educated president of Benguet Corporation, the country's oldest mining and engineering firm, with more than \$300 million in assets.

The Reagan administration is seeking \$100 million in military aid and \$95 million in economic aid for the Philippines for the current fiscal year.

Opponents of suspending or conditioning aid argue that while such an approach might result in Mr. Marcos's ouster, there is no assurance that his successor would be better.

But the suggestion that his successor would be worse, that the only alternative is the New People's Army, insults many Filipinos, who fear that continuation of the regime feeds the Communist insurgency.

During Mr. Marcos's reign the armed forces have expanded fivefold to some 250,000 men. The United States has given Mr. Marcos nearly \$1 billion

in military aid. Despite this manpower and money, the New People's Army, which apparently does not receive significant outside assistance, has grown steadily. It was not formed until 1969; today it has between 10,000 and 15,000 well armed guerrillas, a militia of some 10,000 and the backing of perhaps a million Filipinos.

Residents of Davao, the country's second largest city and capital of Mindanao province, where the guerrilla forces control vast rural areas, routinely point out where "squad" units, as the Communist assassination teams are called, have gunned down policemen on street corners. In Samar province, one notices few military patrols, a sign that the military has control but that the New People's Army does.

The Philippines does not need more money for an army that has been unable to solve the problem and is widely viewed as pervasively corrupt and abusive. What is needed is a sweeping reform of the military so that it is not the New People's Army, but the support of the people.

The people have lost their respect for the military — there's no question," said a retired general who fought the Huk insurgency in the 1950s. When you ask why the government has lost support, why

the guerrillas' ranks have swollen, the response from businessmen, priests, lawyers, housewives and American diplomats is "military abuses."

Jails hold between 800 and 1,200 political prisoners, according to reliable accounts. Reports of torture and arbitrary killings by soldiers and policemen have increased sharply in the past two years. Yet "few within the military are seriously punished for abusive actions," according to a human rights report released this month by the U.S. State Department.

It is disingenuous to argue that conditioning aid would amount to improper interference in the internal affairs of the Philippines. The United States has been a powerful actor in the country since it took the archipelago from Spain in 1898 and will continue to be as long as it continues to use Clark Air Force Base and Subic Bay Naval Station. The issue is how Washington is going to act.

It is specious to argue that conditioning aid will jeopardize the bases. The greatest threat to them is from the New People's Army, and that threat increases with every day that Ferdinand Marcos remains in power.

The writer is author of "Weakness and Deceit: U.S. Policy and El Salvador." After visiting the Philippines last month for the Lawyers Committee for International Human Rights, he contributed this comment to The New York Times.

Americas: Contempt for the Court Is an Old Story

By Steven S. Volk

NEW YORK — The Reagan administration's decision to boycott the World Court should provide some pause. It is absurd that U.S. leaders have not learned the lessons of the past. The consequences of such ignorance can only be tragic.

The United States has long been selective about which laws it would observe and which it would ignore in its relations with Central America. This selectivity has led it to sabotage not only the indigenous efforts of the Central Americans, but even its own efforts to promote respect for international law in the region.

At the turn of the century, Theodore Roosevelt and the Progressives wrestled with a new concept of U.S. global involvement. The concept was a consensus that the U.S. economy needed to operate on a global scale if it were to prosper. They also concluded that, with the exception of a few cases, the United States would not seek to build a formal colonial empire. The United States would be the first truly informal empire — an empire of commerce and investment backed by U.S. naval power.

To this framework the Progressives added their own concept of the "white man's burden" — a commitment to bring "civilization" to those countries with which the United States traded. "All that this country desires," Roosevelt said, "is that the other republics on this continent shall be happy and prosperous." But this happiness would not arise spontaneously. He continued, "They cannot be happy and prosperous unless they maintain order within their boundaries and behave with a just regard for outsiders."

To achieve those goals, U.S. force would be employed to open the world to, and then protect, U.S. trade and investment. And Washington would reproduce abroad its own image of a "happy and prosperous" nation. Arguing that the Central Americans lacked institutional forums to resolve their disputes, Roosevelt would provide the forum from Washington.

The Central American Court of Justice, created in 1907 and partially financed by Andrew Carnegie, was the showpiece of the reformist side of the U.S. drive in Central America. Here was an arena in which Central Americans could resolve their differences peacefully. And it worked.

In 1908, for example, the president of Nicaragua protested that Guatemala and El Salvador had encroached upon the internal affairs of Honduras to force the installation of an anti-Nicaraguan government. The court heard the case and ordered all the governments to reduce their military forces and refrain from meddling in each other's affairs. They agreed, and war was averted.

Within five years Washington had begun to undermine the authority of its own creation. Then, as now, it employed its myriad weapons to in-

stall in Managua a government more sympathetic to U.S. interests.

Washington opposed the nationalist government of José Santos Zelaya. In 1909 the U.S. government backed a conservative revolution that originated in the Caribbean coastal town of Bluefields. When two U.S. citizens were caught laying mines in the San Juan River — how little some things change — and were executed by Zelaya's troops, Washington had all the encouragement it needed to intervene. Zelaya resigned and it ultimately installed its choice as his successor.

When the U.S.-backed regime came under fire in 1912, President William Howard Taft sent in 2,600

troops to demonstrate continued U.S. support. The issue of military intervention was raised before the Central American Court of Justice. When the court ruled against Washington's actions, the United States ignored it. U.S. troops would stay in Nicaragua for more than 20 years before leaving the country in the hands of the first Somoza.

The United States chose again to defy the court — this time provoking its total demise — after Washington and the U.S.-backed Managua government entered into a treaty in 1916 giving the United States exclusive rights to build and operate a transoceanic canal in Nicaragua. Washington also offered to "guarantee" Nicaragua's "stability," but this at-

tempt to create a protectorate was rejected by the U.S. Senate.

Costa Rica, El Salvador and Honduras were appalled by U.S. moves in the region, and charged before the Central American Court of Justice that the United States and Nicaragua had violated their territorial integrity and pre-existing Central American treaties. The court agreed, and once again Washington rejected the ruling. At the urging of the United States, Nicaragua withdrew from the court, which promptly collapsed.

Washington's decision to ignore a judicial institution of its own creation certainly taught the Central American nations that any attempt to build a framework for the evenhanded resolution of international problems would sooner or later hit against the hard rock of U.S. intransigence.

The Reagan administration's recent slap at the World Court will only convince Central Americans and world opinion that little has changed in seven decades. Washington still maintains that U.S. interests take precedence. More than disrespect for the World Court, the Reagan administration's decision shows a disregard for the rule of law and reason in a world sorely in need of both.

The writer is a former president of the North American Congress on Latin America, an independent research organization based in New York. He contributed this comment to the Los Angeles Times.



OUR CENTRAL AMERICAN FOREIGN POLICY VARIES ACCORDING TO CIRCUMSTANCES. WHAT DOES NOT CHANGE IS THE CIRCUMSTANCES.

By Pancho in El Nacional (Caracas), Cartoonists & Writers Syndicate.

LETTERS TO THE EDITOR

Still More Could Be Fed

The overpopulation doomayers are still with us. But the habitat of Homo Sapiens, unlike that of most infauna and plants, is not limited to one or several places; our habitat is virtually the whole Earth and its waters. Moreover — and this is the crux of the matter — the human species does not depend helplessly on what nature has to offer but has the capacity to change and increase the carrying capacity of most of its varied habitats — and has so demonstrated for at least 10,000 years.

To say that Ethiopians, Ugandans, Chadians, etc., must starve because each group has outbred its capacity to feed its population is to ignore interdependency in the 20th century and the consequences of maldistribution of the Earth's resources, actual and potential. In any case, jeremiads on the threat of overpopulation are at least premature. There may indeed come a day when the limit of our ability to feed all the world's people — no matter how resources are ultimately pooled — will be reached. But it is not here now, and it is not unlikely that the scientists and technologists of the future will be able to avert that eventualities for a long time.

Maldistribution of available food

stocks is the immediate cause of today's massive starvation. But it is existing economic and political institutions that virtually mandate the perpetuation of such tragic maldistribution. While we may not now or in the near future be able to amend the economic and political arrangements that tolerate starvation in the midst of global plenty, we ought not therefore allow our understanding of the problem to be clouded by reiterated references to overpopulation as the enduring cause of starvation.

ROBERT A. MANNERS,
Brandeis University,
Waltham, Massachusetts.

Two Meetings, Not Three

Edwin M. Yoder, in "Yalta Facts: The Tragedy in Context" (Feb. 8), writes of World War II's three major meetings between Roosevelt, Churchill and Stalin. "The three men met only twice, in Tehran (1943) and Yalta (1945). Stalin did not attend meetings between Churchill and Roosevelt in Casablanca (1943), Cairo (1943) or Quebec (1943, 1944)."

BERNARD SINSHIMER,
Boulogne-Billancourt, France.

In Defense of McEnroe

In response to "Bounce the Superbrats" (Letters, Feb. 2) and "No to America's Tennis Punks" (Other Opinion, Jan. 29):

As a British veteran watcher of 35 Wimbledon, it annoys me when Americans apologize for John McEnroe. It would take stronger language than his — or even Jimmy Connors' — to do justice to certain officials whose incompetence is equaled only by their pomposity. And how can knocking over a tray of paper cups compare with Sweden vandalizing a tennis court to create a freak surface and nullify opponents' superior skill?

How sad that critics have finally worn out McEnroe's notable loyalty in the Davis Cup. Should the current crop of Swedes follow Björn Borg's example, they won't waste further energy on anything so unremunerative.

Those who equate sportsmanship with nice manners should read some autobiographies of "gentlemanly" former champions who swagger over the cunning tricks they used to upset their opponents while taking care to keep within the letter of the law.

S. STEWART,
London.

The Dollar: Investors Keep It Up

By Martin Feldstein and Kathleen Feldstein

WASHINGTON — It is not necessary for bargain hunters to fly to London for a Harrods sale. The record merchandise trade deficit of the United States is clear evidence that foreign-made goods are readily and cheaply available in America.

Americans are choosing foreign-made goods over domestic ones because the dollar has risen dramatically. It buys on average nearly 70 percent more foreign-made goods than at its low point in 1980. With sterling down to less than \$1.10, the dollar buys almost twice as much in British goods as it did in 1980. Thus, U.S. imports outstrip exports last year by more than \$100 billion.

The dramatic rise in the dollar has happened in the last four years as the United States became the world's mecca for financial investors. Both foreign and American investors are attracted to U.S. investments by the higher real interest rates and greater safety. The real return on investments is higher, relative both to past and to present yields in the United States and other countries.

In the 1970s, short-term investments earned just about enough interest to keep up with inflation. Now short-term investments earn nearly five percentage points more than the inflation rate, and investments with longer maturities earn substantially more. The rise in U.S. real interest rates has greatly exceeded the interest rate rise in other major countries.

The main reason for the increase in U.S. real interest rates has been the

rise in the budget deficit. Government borrowing to finance the deficit now absorbs more than half of all net savings. That far outweighs the increase in demand for investment funds by U.S. companies experiencing improved investment incentives resulting from lower inflation and from the 1981 revisions in business taxation. The increased demand for funds raises the real interest rate and leads in turn to the strong dollar.

Careful followers of the financial markets may be puzzled that the dollar has continued to rise in recent months despite the fall in interest rates since last summer. The principal reason is that the interest rate decline has been primarily a reflection of lower expected inflation rather than of a lower real yield.

Expected inflation has declined since last summer for two reasons: The economic slowdown has sharply reduced the fear of overheating, and the available inflation experience has refuted the monetarists' predictions of a return to double-digit inflation by the end of 1984. In addition, the dollar appears to have been strengthened recently by the reduction in overseas loans by U.S. banks.

Although the over-strong dollar has had a devastating effect on U.S. exporters and on companies that compete with foreign imports, it has had some good effects on the U.S. economy. The inflow of foreign funds will be enough this year to finance half of the government deficit, or roughly 40 percent of all net investment in housing, plant and equipment, thus postponing the adverse effects of the enormous deficit.

But the dollar must fall eventually. Its abnormal strength depends on a continued higher real yield on U.S. investments, on expectation that yield differential will last and on the continued willingness of foreign investors to risk holding dollar securities. At some point foreigners are going to be reluctant to continue putting a larger and larger share of their portfolios into dollar securities.

When the dollar falls, the higher prices of imported goods will put an upward pressure on prices and wages in America. Past experience suggests that a 10-percent fall in the dollar leads to a 4-to-1.5-percent rise in consumer prices after a lag of about 18 months. Without the rise in the dollar in the last few years, current 4-percent inflation would have been more like 5 percent. But that means that when the dollar falls the upward pressure on prices could temporarily raise the inflation rate to 6 percent or more.

A tough monetary policy in response to a falling dollar could avert the increase in inflation, but only at the cost of slowing economic growth. If the dollar falls very rapidly, America might find itself back in the same corner as in the 1970s, with both slower growth and higher inflation. Even if the dollar comes down gradually enough to avoid that problem, it is a fairly safe bet that America will experience a temporary jump in inflation as the dollar falls sometime before this decade is over.

The lower dollar will also mean a smaller inflow of capital from abroad and therefore less funds available to finance borrowing in the United States. If the dollar falls substantially before a resolution of the budget deficit, the likelihood will be sharply higher interest rates and a sharp contraction of investment in housing and in plant and equipment. That is why we continue to hope that Congress and the administration will get together to deal with the budget deficit before it is too late.

Martin Feldstein is a former chairman of President Reagan's Council of Economic Advisers. His wife, Kathleen, is also an economist. They contributed this comment to the Los Angeles Times.

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1932-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUEBNER, Publisher

PHILIP M. FOISIE
WALTER WELLS
ROBERT K. MCCABE
SAMUEL APT
CARL GEWIRTZExecutive Editor
Editor
Deputy Editor
Deputy Editor
Associate EditorRENE BONDY
ALAN LEBOUR
RICHARD H. MORGAN
STEPHAN W. CONAWAY
FRANCOIS DESMAISON
ROLF D. KRANEPUHLDeputy Publisher
Associate Publisher
Associate Publisher
Director of Operations
Director of Circulation
Director of Advertising Sales

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Telephone: 747-1263. Telex: 612718 (Herald). Cable: Herald Paris.

Directeur de la publication: Walter N. Thayer.
Managing Director: Robin MacKinnon, 63 Longacre, London, W.1C. Tel. 836-4802. Telex 262009.
S.A. au capital de 1.200.000 F. RCS Nanterre B 732031126. Commission Paritaire No. 61337.
U.S. subscription: \$284 yearly. Second-class postage paid at Long Island City, N.Y. 11101.
© 1985, International Herald Tribune. All rights reserved.



Soviet to Sign Agreement On Nuclear Inspection

Reuters

VIENNA — The Soviet Union and International Atomic Energy Agency said Wednesday that they are to sign an accord opening Soviet nuclear plants to inspection for the first time.

Andronik M. Petrosyants, chairman of the Soviet State Committee for the Use of Atomic Energy, was due to sign the "safeguards" accord with the agency's director-general, Hans Blix, on Thursday, they said. Moscow reached agreement on the issue in September.

The agency, founded in 1957 to foster peaceful uses of atomic energy, has 112 members. Under its safeguards system, it sends inspectors to monitor the fuel cycles of civil nuclear plants.

Members that had nuclear weapons before joining the agency are not obliged to sign safeguards accords, but the United States, Britain and France did so voluntarily.

The agreements apply to civilian nuclear plants and are designed to prevent the undetected diversion of civilian nuclear material to military projects.

The system is a major bulwark of the 1970 international Treaty on Nonproliferation of Nuclear Weapons, signed by 120 countries. The treaty, which comes up for review in September, was designed to prevent the emergence of new nuclear weapons states.

The atomic agency has long encouraged the Soviet Union and China to sign voluntary agreements to boost confidence in safeguards.

China is now the only declared state with nuclear weapons not to submit to inspections. Beijing, which joined the agency last year, says the system runs counter to Third World interests because it favors the industrialized world's monopoly on nuclear weapons.

Contents of safeguards agreements remain confidential and, in the case of nuclear weapons states, usually apply only partially to their civil programs.

The Soviet Union operates about 40 civil nuclear reactors and many more are under construction.

A Philippine Mayor Is Killed

Reuters

MANILA — The mayor of the northern Philippine town of Candaba, Gonzalo Martin, was killed Tuesday when he slammed his car door on a cocked pistol in his belt, the police said.



MELANESIAN GIRL INJURED — Gabriella Beou, 10, was evacuated by helicopter from Thio, New Caledonia, on Wednesday after being hit on the head when the car in which she was riding was stoned by Melanese seeking independence from France.

Vatican Warns on 'Secularization'

By E.J. Dionne Jr.

ROME — The Vatican has warned Catholics involved in "temporal and earthly affairs" to avoid being "so influenced by secularization" that they adopt alien ideas.

The statement on Tuesday was part of a working paper on the mission of lay people. Archbishop Jozef Tomko, a Slovak who is secretary-general of the Synod of Bishops, said it was addressed to Catholics involved in "politics, trade unions and so on."

The statement could take on particular importance in the United

States, where there has been discussion among Roman Catholic bishops and Catholic political leaders, notably Governor Mario M. Cuomo and former Representative Geraldine A. Ferraro, both of New York, on the obligations of Catholic politicians.

When asked whether the statement was addressed to American Catholic politicians, Archbishop Tomko said he did not know enough about the American political situation to reply.

He also issued a statement on the Synod of Bishops that Pope John

Paul II has called for November. The statement mentioned press reports on the synod and emphasized the pope's commitment to the values and ideas of the Second Vatican Council.

Some church leaders have seen the call for a synod as an effort by the Vatican to impose more stringent discipline. But the Vatican has been at pains, since it announced the synod in January, to emphasize the pope's commitment to the values of Vatican II, which was seen as opening the church to the modern world.

UN Probe Cites Suriname for Executions

By Iain Guest

GENEVA — After conducting the first direct investigation by the United Nations into political killings, a Kenyan lawyer has accused the military government of Suriname of murdering 15 prominent opponents.

The lawyer, Amos Wako, was appointed in 1982 to head the UN inquiry into summary executions. He visited Suriname last July at the invitation of the government.

Last year, Mr. Wako asked 21 other governments to reply to accusations by human rights groups of killings and appealed to a further 13 to halt executions after the rights of appeal had been denied. His report is due to be released soon by the UN Human Rights Commission.

Delegates at the commission agreed that Mr. Wako's mission to Suriname could prove significant for the UN's human rights machinery.

If Mr. Wako is seen as objective, they said, that could encourage other governments to allow him to visit. If he is seen as being too favorable to governments, however, that could anger the groups that furnish most of the human rights information to the United Nations.

Delegates also said that Mr. Wako's report could determine whether the Netherlands will resume aid to Suriname, a former Dutch colony. A 10-year aid package of 2.5 billion guilders (\$675 million in current dollars) begun in 1975 was frozen after the murders in 1982 with approximately one billion guilders still unpaid.

The 15 men were arrested in Suriname on Dec. 7, 1982, taken to an army barracks in Paramaribo, the capital, and murdered the following night in circumstances that still provoke intense controversy in the country.

The victims included virtually all

the leaders of the democratic opposition to the military government, led by Lieutenant Colonel Desi Bouterse. Among them was a former minister of justice and the chairman of the largest independent trade union.

According to the government, the men were shot while trying to escape. That explanation was rejected by relatives of the men, who viewed the bodies afterward and concluded that the men had been shot at close range after being severely tortured.

Mr. Wako presented both versions in his report before concluding that the 15 were summarily executed and that their deaths had a "traumatic" effect on the whole population.

In another passage, Mr. Wako stated: "The military officers in-

formed [me] that the events were considered as 'necessary' and 'based on the principle of survival.' It was a question of 'them' or 'us.'"

This, a delegate said, was tantamount to saying the government was directly responsible.

Observers agreed that the interpretation of these findings could affect the UN's ability to mount direct investigations into such areas as torture, disappearances and killings.

Such crimes, they said, are so abhorrent that governments often are unwilling to answer queries, let alone admit UN investigators.

Faced by such reluctance, they said, UN human rights reports are starting to show increasing sympathy for governments' points of view. This, they said, was a feature of the latest UN report on El Salva-

dor by José Antonio Pastor Ridrejo, a Spanish lawyer.

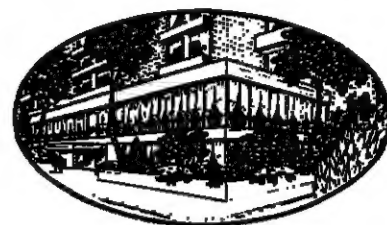
Mr. Ridrejo's report, released in Geneva on Wednesday, noted a "considerable decline" in killings by death squads, while expressing the "moral conviction" that "grave violations" had been committed by Salvadoran guerrillas.

Many human rights groups still maintain that only governments can be held legally responsible for violating UN human rights conventions.

Last year, Mr. Wako also made several major concessions to governments to win their cooperation. He did not name the 21 governments accused, as he did in his first report. He also emphasized killings by guerrilla groups. In spite of that, only six of the 21 governments replied.

In London
there's a friendly hotel.
You'll call it your club.

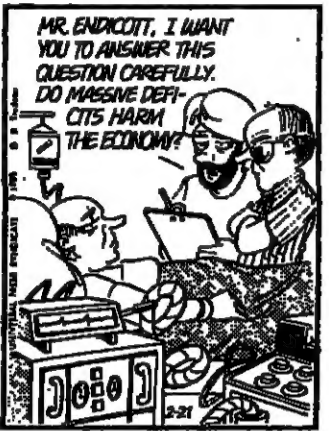
THE PORTMAN
INTER-CONTINENTAL



THE ADVANTAGE IS INTER-CONTINENTAL
INTER-CONTINENTAL HOTELS

22 Portman Square, (441) 486-5844, Telex: 261526
For reservations call: Paris: (01) 742-07-92,
Frankfurt: (069) 230561, Amsterdam: (020) 262021

DOONESBURY



AUTOS TAX FREE

TAX FREE CARS

P.C.T.

Largest Showrooms & Inventory
All makes, all models, brand new
European 1-3000 American, Belgium
Tel: 3/231 39 00
Telex: 35346 PTCART B
Apply for our color catalogue
US\$5 cash

EUROPORT TAX

FREE CARS

Call or write for free catalog.
Box 12011
Rotterdam Airport, Holland
Tel: 020 71 85 44
Telex: 3201 ECRAN NL

EXPERIENCED CAR TRADERS for
Mercedes, BMW, Ford, offer full
service import / export US DOT &
EPA for tourist & dealer. Chevrolet
Motors, Volkswagen, etc. 4 Dusseldorf,
W. Germany. Tel: 01 211 211
43444

NEW BMW, MERCEDES, BMW, most
models tax free export UK. 0933
76997. The 31224 MID TUC.

MERCEDES BEAT 1985, Transit, tel.
01-208 0007, fax 095022 1245 G

LEGAL SERVICES

US IMMIGRATION visas, Arty, Spies
& Reddy, 1722 Bristol Av. Miami FL
33129. Tel: (305) 6439000, telex 441469.
Also Translations, 22C, Prague,
Czechoslovakia. Tel: 459571, 459486. Tel.
21-2000 USA office for Road, Am-
bler, PA 19002. Tel: 215 641 1244

HOLIDAYS & TRAVEL
CHARTER A YACHT IN GREECE. Di-
rect from owner of largest fleet.
American management. Excellent
crew, great food, V.I.P. Yachts.
Also Translations, 22C, Prague,
Czechoslovakia. Tel: 459571, 459486. Tel.
21-2000 USA office for Road, Am-
bler, PA 19002. Tel: 215 641 1244

ESCORTS & GUIDES
INTERNATIONAL
ESCORT
SERVICE
USA & WORLDWIDE
Head office in New York
330 W. 56th St. N.Y.C. 10019
Tel: 212-765-7896
212-765-7754

MAJOR CREDIT CARDS AND
CHECKS ACCEPTED
Private Memberships Available
This award-winning service has
been featured on Top 100 & most
exclusive Escort Service by
USA & International news media
including radio and TV.

REGENCY
WORLDWIDE MULTILINGUAL
ESCORT SERVICE
NEW YORK OFFICE
Tel: 212-438-8027
& 212-753-1864

* USA & TRANSWORLD
A-AMERICAN
ESCORT SERVICE
EVERYWHERE YOU ARE OR GO.
1-813-921-7946
Call free from U.S.: 1-800-227-0892
Call free from Florida: 1-800-282-0892
Lowell Airlines welcomes you back!

HOLLAND-IB ESCORT SERVICE 020-
222765, 03094530, 02977-3085
LONDON TRULIE ESCORT SERVICE
Tel: 01-531 8849

LOANING GENE ESCORT SERVICE
Tel: 270 7151

VIENNA VIP ESCORT SERVICE. Tel.
Munich 45 41 58

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

LOW COST FLIGHTS

MY ONE WAY \$188. 22 days N.Y.-
West Coast \$159. Paris \$25 90.
TO USA FROM \$119 one way.
NATC London 01-734 8100.

FOR SALE & WANTED

FOR QUICK SALE
PERIOD AUSSON CABINET
Dated by owner, Geneva.
Superb condition, authenticated origin.
Size 60cm x 50cm - really too large
for new apartment. Ideal for embassy,
int'l organizations.
Inquiries please. Urgent.
Contact Switzerland
Tel: 41-21-7412493 / fax 458324.

DEFINITE PRICE. Urgent.
Contact Switzerland
Tel: 41-21-7412493 / fax 458324.

SERVICES

YOUNG LADY
PA/Interpreter & Tourist Guide
PARIS 562 0587

YOUNG LADY
Young, educated, elegant & intelligent
for days, evenings & travel.
PARIS 533 30 26

P.A. YOUNG LADY
PARIS 565 03 80

LONDON / HEATHROW GATWICK
Escort Service Tel: 381 06 08

SERVICES

PARIS 704 80 37
VIP PA YOUNG LADY
Multilingual.

YOUNG ELEGANT LADY
MULTILINGUAL. PARIS: 525 81 01

PARIS 557 56 09
Sophisticated & Educated
Lady Companion

PARIS: 520 97 95
BILINGUAL YOUNG LADY

PARIS: FOR A REALLY V.I.P. LADY
NOTE A PHONE 553 62 02. Young,
Sophisticated, Elegant, Educated,
speaking 4 travel Cards FOUR PARIS
PA & INT'L TRAVEL COMPANION.

PARIS VIP SOPHISTICATED & elegant
young lady companion for days, dis-
tinct evenings and week-ends. Tel.
277-01-62

SOCIETE DIANE PARIS 260 87 43
Men & women guides, security & re-
serving car services, 8 am - 12 pm.

PARIS NOTE THIS PHONE AT ONCE
757 62 40. Trustful V.I.P. lady, travel
companion.

LONDON. Young German/French al-
lance to meet you on your visit to
London. Tel: UK 01-281 5853

SINGAPORE INT'L GUIDES. Call Sin-
gapore 734 96 28.

SERVICES

PARIS INT'L YOUNG LADY GUIDE
Bilingual, educated, multilingual, for
days & evenings & travel. Possible.
Paris & Airports. 227 90 95.

INTERNATIONAL BEAUTIFUL PEOPLE
UNTD. USA & WORLDWIDE. Tel:
212-745-7793 / 745-7794

PARIS 527 01 93 PA YOUNG LADY
Why not communicate with me in 3
languages even if I have to travel!

WEST INDIAN LADY COMPANION.
Tel: London 01 381 9842

TOKYO 645 2747. Young & shop-
ping guides, interpreters, etc.

NEW YORK EUROPEAN LADY
companion. Tel: 212 679-5172

BAVARIAN LADY, BILINGUAL P.A.
Munich 089-529014

PARIS YOUNG LADY, tourist guide.
Tel: Paris 807 84 93

NYC COMPANION V.P. Socially
savvy of NY's best. 212-757-4084

PARIS LADY INTERPRETER. Travel
companion. Paris 653 68 09

TOKYO: 442 39 79 European young
lady companion.

FRANKFURT. Young lady companion.
Free to travel. 069 44 77 23

YOUNG LADY COMPANION. Lon-
don/Heathrow. Tel: 244 7671

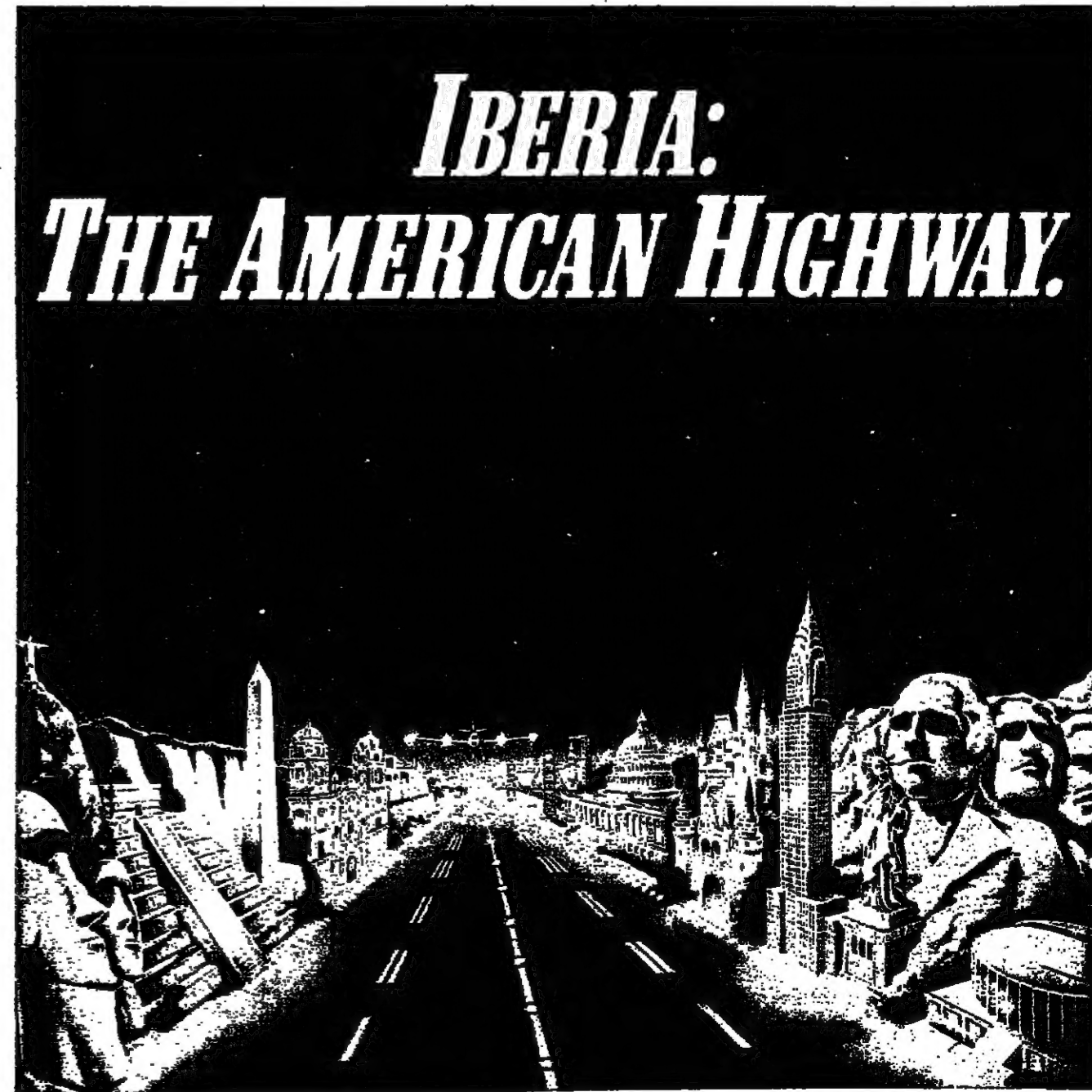
BRUSSELS. YOUNG LADY V.I.P.
Companion Tel: 344 08 90

HONG KONG (H-K) 723 12 37
young sophisticated companion

LONDON - Young Caribbean Lady.
01-724 1899 Airports / Travel

Reaching
More Than
a Third of
a Million
Readers in
164 Countries
Around
the World.

Herald Tribune



IBERIA:
THE AMERICAN HIGHWAY.

Iberia flies between Madrid and 27 North, Central and South American cities: Montreal, Toronto, Boston, New York, Miami, Chicago, Los Angeles, Dallas, San Juan, Havana, Mexico City, Guatemala, Managua, San Jose, Panama, Santo Domingo, Caracas, Bogota, Quito, Guayaquil, Lima, Rio de Janeiro, Sao Paulo, Asuncion, Santiago, Montevideo and Buenos Aires.

Iberia also flies from Las Palmas to Buenos Aires and New York. And from Barcelona our special "Cataluña Intercontinental" service makes quick and easy connections with New York, Miami, Montreal, Mexico City, Caracas, Havana, Buenos Aires, Santiago, San Juan, San Jose, Lima, Bogota, Quito, Guayaquil, Rio de Janeiro, Montevideo, Asuncion, Sao Paulo, Santo Domingo, Panama, Guatemala, Managua. And also with Nairobi, Johannesburg, Lagos and Abidjan in Africa.

On your way to or from Santiago de Compostela, in the Northwest of Spain, our special "Galicia Intercontinental"

service makes smooth connections with New York, Caracas, Montreal and Mexico.

All on comfortable 747 and DC-10 wide bodies. Always with three classes to choose from: Grand Class, Preference or Economy. With an average of 33 flights every week.

That's why Iberia is the best way to cross the Atlantic, both ways, between 27 North, Central and South American cities and Spanish, European, African or Middle Eastern cities.

Because Iberia is the only airline in the world that links so many cities on the new continent with so many on the old. From the North to the South, Iberia's Highway bridges the Atlantic.

Iberia: Spain's Highway to the world.

IBERIA
AIRLINES OF SPAIN

* Scheduled Charter Services.

SCIENCE

The Dangers of 'Brain Steroids' in Mental Competition

By Michael Schrage

Washington Post Service

IF SPORTS ARE a microcosm of life, the controversy surrounding athletes who use drugs to sharpen their competitive edge offers a disquieting vision of what is in store for people who live off their wits.

As surely as anabolic steroids can temporarily boost athletic performance, research in the chemistry of the brain will yield drugs that can boost human memory, learning and thinking.

"The basic science of neuro-peptides and neurotransmitters is exploding," said Dr. James L. McGaw, director of the Center for the Neurobiology of Learning and Memory at the University of California at Irvine.

"This is space travel of a different type," said Dr. Herbert Weingartner, chief of cognitive studies at the National Institute of Mental Health. "We're sitting on a revolution that rivals quantum physics in the 1920s."

Research in mental disorders such as Alzheimer's disease is yielding insights into the chemistry of memory. Many scientists are growing much more comfortable with speculation that a new generation of neuropharmacologicals can enhance brain function.

By the turn of the century, Dr. McGaw, Dr. Weingartner and other scientists predict, this revolu-

tion in science may spawn a revolution in pharmacology creating the brain's equivalent of steroids — with all the moral, ethical and practical problems that implies.

Steroids and similar drugs have, for better or worse, a definite impact on an athlete's physiology and performance. Their effectiveness and pervasiveness has created a situation where virtually no winners in international competition can be sanctioned until the athletes have submitted to urinalysis.

If relatively safe drugs to improve memory and cognition seep into the market, what will happen when they are viewed as productivity tools and used accordingly? Will they give their users an unfair advantage?

On one level, there is nothing new in this. College students have been notorious for taking amphetamines to stay up late at night to cram or finish term papers. Amphetamines, though, have all the subtlety of a jackhammer when it comes to cognitive enhancement.

The drugs that science and the pharmacology industry will explore should be more finely tuned to the brain's chemistry and may offer much of the benefit of cruder drugs with fewer of the unpleasant side effects.

Despite its image as a computer-like device, the brain more closely resembles a sack of chemicals that are constantly interacting. Billions

of brain cells — neurons — float in a sea of chemical message-transmitters. When a few thousand or a few million pulse in concert, interesting things begin to occur.

Scientists are learning more and more about neurotransmitters — the chemicals that tell neurons how and when to pulse in sequence. It may take two or three chemicals acting on one another or a neuron to create a particular signal. Research is determining what specific neurotransmitters yield specific reactions. As scientists discover these chemical ensembles, they are building the elements of drugs that can be aimed at specific sites in the brain to generate specific behavior, such as improved memory.

There will no doubt be a huge market for relatively benign drugs that can sharpen concentration or enhance learning and memory. But what does it lead to?

Will a Soviet chess team have to submit to urinalysis? What of the millions of high school students taking college entrance examinations? Law school graduates taking the bar exam?

Should it matter that students and professionals in tough, competitive mental situations turn to drugs for a quick boost in cognitive productivity?

Perhaps the Nobel laureates of two or three decades hence will use drugs to enhance their mental abilities as they do their research. There is a certain logical evolution to this: The 1960s saw drugs as tools for "consciousness expansion" and chemical pleasure. The 1980s and 1990s are likely to be different. Perhaps there has been too much emphasis on the mood-changing quality of so-called recreational drugs and not enough on the fact that they can affect people's performance.

In the rooco phrasing of one doctor, it is the difference between "psychotropic hedonism and psychopharmacological Calvinism."

"This is sort of happening now with cocaine," said Dr. Sidney Cohen, a professor of psychiatry at UCLA who has studied drug-abuse patterns for the National Institute of Drug Abuse. "Cocaine usage is not entirely for euphoria. Some executives are using a sort of cocaine to make them 'think better' before they go into a meeting. Maybe they're even using it successfully, until they start overdoing it."

It may be that "thinking better" is simply a rationalization to explain away a cocaine addiction, but

several neuropharmacologists and psychologists say many psychoactive drugs can improve cognitive performance — the ability to concentrate, for example — albeit at the price of undesirable side effects.

After researching the question, a Harvard University psychiatrist, Norman E. Zinberg, said: "We got the impression that these drugs were more effective [at cognitive enhancement] than most people would like to admit."

The analogy to the sporting world still holds: People are not just using drugs as medicine; they are using them as a tool to improve performance. Because of that cru-

cial distinction, the Food and Drug Administration says it will be giving careful scrutiny to the cognition enhancers.

"If you can go from six tries to four in remembering a list after taking a drug," said Dr. Paul Leber, director of the division of neuropharmacological drug products at the FDA's Office of Drug Research and Review, "is that worth anything? What are the attendant risks?"

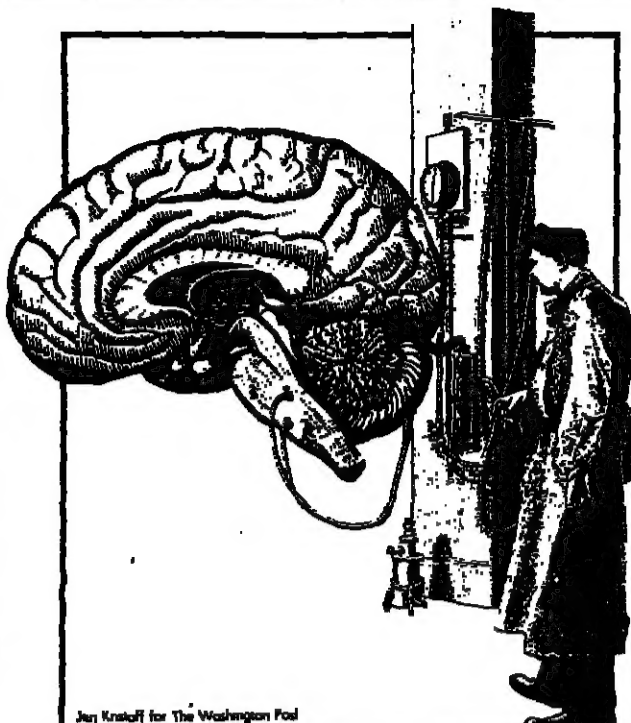
He pointed out that "drugs have the action you want, the actions you don't want and the actions you don't know about. You can do things for short periods of time, but what's the long-term cost?"

Dr. Leber said that, because these drugs would be designed to enhance normal conditions rather than allay abnormal ones, the FDA would probably impose very strict standards regarding potential side effects. The agency might approve such drugs, however, if their benefits could be demonstrated.

There are more immediate and practical considerations. "The brain resists frequent medication," said Dr. Floyd E. Bloom, director of the division of preclinical neuroscience and endocrinology at Scripps. "It develops a tolerance for drugs."

Though Dr. Bloom said he disliked the idea of drugs to aid normal cognition, he conceded that "it would be very likely that we could find safe stimulants . . . for short periods for people like space shuttle pilots or nuclear power plant operators."

In essence, the scientific and technological underpinnings for this pharmacological revolution are there. The real questions seem to revolve around the cost-benefit trade-offs for the individual who would take these drugs.



IN BRIEF

Mount Wilson Telescope to Retire

LOS ANGELES (NYT) — The 100-inch (250-centimeter) telescope on Mount Wilson, long the world's largest, is to be mothballed July 1.

The instrument, succeeded by ever-more-powerful telescopes, was responsible for many basic discoveries, including the one in which Edwin P. Hubble showed that the universe was expanding uniformly in all directions. Although the site has "light pollution" from Los Angeles, the atmosphere above it is said to be unusually stable, making for good viewing.

The Carnegie Institution of Washington, which operates the Mount Wilson Observatory, has said it is open to proposals by other institutions to operate the telescope. The institute plans to run the observatory's solar-observing towers and 60-inch stellar telescope only as long as operating funds last.

Sharks Called 'Big, Slow, Clumsy'

SAN FRANCISCO (UPI) — Movies have portrayed the shark as a swift, lithe killer. But John McCosker, director of the Steinhart Aquarium at the California Academy of Sciences in Golden Gate Park, who recently studied sharks off Australia, sees the beast quite differently.

"It isn't fast and it isn't graceful," Mr. McCosker said. "It really is a big, slow, clumsy fish."

Mr. McCosker, an assistant and a photographer went to Australia to study the physiology and behavior of sharks, which have killed at least seven swimmers and injured more than 55 off Northern California in recent years. Testing sharks' swimming speed, they found it to be less than 3 miles (4.8 kilometers) an hour.

Earth's 'Pacific Plate' Shifted Course

LONDON (NYT) — From evidence around edges of Earth's "Pacific Plate" and alignment of the youngest Hawaiian islands, scientists theorize that the plate made a subtle course change five million years ago that would account for intense deformation and uplift of landscape along California's San Andreas fault.

In the journal Nature, Dr. Allan Cox of Stanford University and David Engbreiten of Western Washington University propose that the change occurred when, beginning about 14 million years ago, sections of the southwest Pacific floor that had been sinking into the Earth began to break loose.

Motion of Earth's surface plates constantly alters geography. The Hawaiian chain has been formed by movement of the Pacific floor over a "hot spot" within the Earth whose eruptions produced the islands one by one.

Power Zone Linked to Auroras

PASADENA, California (AP) — Scientists say an invisible egg-shaped power supply zone, 20 to 30 times the size of Earth and about 400,000 miles (648,000) away, helps create the Northern and Southern Lights, or aurora borealis and aurora australis.

The zone is always on the side of Earth away from the sun, Lou Frank, a physicist at the University of Iowa, said at the Jet Propulsion Laboratory during an international conference on solar wind interaction with Earth's magnetic field.

Dr. Frank said the zone uses magnetic forces to trap electrically charged particles from solar wind. Detailed satellite photos of the auroras let researchers calculate the location of the zone in Earth's magnetic "tail," the part of Earth's magnetic field blown away from the planet by solar wind, Dr. Frank said.

New Device for Detecting Radiation

NEW HAVEN, Connecticut (AP) — A Yale University engineer has developed a method for detecting neutron radiation that he says improves protection of workers exposed to radiation.

Professor Robert E. Apfel, chairman of mechanical engineering, said his "superheated drop detector" emits an immediate warning of radiation exposure and measures the amount a worker is exposed to.

Professor Apfel said the device had been in development since being patented in 1979. He said he hoped a version that can be carried in the palm of the hand would be ready for commercial distribution within a year.

EXECUTIVE HEALTH SCREENING

London's first Free-Standing Emergency Room now offers a new Executive Screening service for people who want immediate attention:

- Physical examination and medical history
- EKG and blood pressure
- X-ray
- Blood testing
- Physicians report and recommendations

Regular screening is your first-line defence against stress-related illness.

Ring now for an early appointment.

ALSO
Gynaecology Screening
Tropical Screening

Plus our full Emergency Service range including:
Minor Operations Room;
Orthopaedics and General Surgery.

Medical Express Private Membership included in your Executive Screening Fee.
(Future casual consultations £10 instead of £35).



MEDICAL EXPRESS

CHAPEL PLACE, OXFORD STREET, LONDON W1.
TEL: 01-493 1931
Opening Hours: 9am - 9pm Mon to Fri, 9am - 6pm Sat
LONDON'S FIRST WALK-IN, NO WAIT, FREE-STANDING EMERGENCY ROOM



Isotope Testing to Aid in Search for Columbus's Remains

By Bill Billiter

Los Angeles Times Service

IRVINE, California — Where are the remains of Christopher Columbus? In Spain, Italy, Cuba or the Dominican Republic?

Seven years before the 500th anniversary of Columbus's landing in the Americas, this mystery is of political significance, said Jonathan Ericson, 42, a professor of social ecology at the University of California at Irvine. He hopes to solve the riddle this summer using atomic tracing of bones and teeth believed to be those of Columbus. "It's a geopolitical issue," Pro-

fessor Ericson said, noting that "the whole world will be interested in this in 1992. Every country will be marking the 500th anniversary."

Columbus died in 1506 in Valladolid, Spain and was buried there. The body was removed a few years later, either to Triana, Spain, or to Seville.

In 1541 or 1542, the remains were shipped to what is now the Dominican Republic, where Columbus landed on his first voyage. During excavations at the cathedral of Santo Domingo in 1795, human bones and ashes, presumed by some to be those of Columbus,

were found next to the high altar. Early in the 19th century, Spanish authorities shipped the remains to Havana. Later, they were moved to Seville, Professor Ericson said. He added that there were reports of yet another move: to Columbus's birthplace, Genoa, Italy, early in the 20th century.

Professor Ericson believes someone else's bones were moved from Santo Domingo to Havana. In 1877, he said, a small lead casket was found in the cathedral of Santo Domingo, marked with the initials CCA, possibly for "Christopher Columbus, Admiral" in Spanish.

The remains in the casket will be tested this summer. If that proves negative, the search will move to the other claimants.

The test will use strontium isotope characterization. Strontium enters food in small but lasting amounts. Its isotopes vary according to where the element was at the time it entered the food. Ericson will go to Genoa to learn the composition of strontium where Columbus was born and grew up. He will then test the remains in Santo Domingo. If the isotopes are the same, he said, the proof will have been established.

The oil world has changed. Ask Aberdeen, Houston, Jakarta, Dubai

A valve goes on a pump in an isolated oilfield.

A contract languishes on someone's desk because a geological survey of a distant field is needed.

For industries that operate internationally, the delay of time-sensitive items can mean massive hold-ups.

In developing the Total Express Network to meet the needs of global business, DHL changed all that.

The fact is, no other company has our experience and expertise in delivering vital documents and parcels to businesses worldwide.

The petrochemicals industry is so truly international, its wheels must move supremely smoothly.

DHL's comprehensive, reliable, worldwide service is the oil that helps that happen.



THE TOTAL EXPRESS NETWORK

DOCUMENTS, PACKAGES, CARGO, ELECTRONIC IMAGE TRANSFER, MORE EXPEDIENTLY AND RELIABLY THAN ANY OTHER SERVICE

02/21/85

24 Feb 1985

Herald Tribune BUSINESS/FINANCE

U.S. Stocks
Report, Page 8.

Page 7

Statistics Index

AMEX prices P.10
NYSE prices P.8
NYSE futures P.9
Commodity prices P.14
Currency rates P.7
Commodities P.10
Dividends P.10
Other markets P.14

THURSDAY, FEBRUARY 21, 1985

WALL STREET WATCH

It's Time for Caution, Some Analysts Assert

By EDWARD ROHRBACH
International Herald Tribune

With Wall Street heading to historic highs, is this the time for investors to be bold? Most market advisers, perhaps trying to out-bull each other, think it is. But not everyone is upbeat, and a few are downright bearish.

"It's the market's last hurrah," declares Joseph C. Generalis, technical analyst at First Boston. In fact, he warns, a 4 percent to 5 percent pullback will begin almost immediately.

"I expect a final lull for the Dow the first half of March, pushing it to the 1,320-1,360 level," he said. "But that is only catch-up. The broader S&P-500 and the New York Composite Index won't make significantly higher highs, and they've probably peaked already."

Mr. Generalis, whose views clash with First Boston's "official" opinion based on a prediction that the Dow Jones will soar above 1,500 in the next 12 months, sees the 1985 surge in stock prices as just another "stampede" in the 1982-1986 market cycle.

"But compared with the others, it's taken much longer and has required significantly more volume to gain substantially less ground," he said. "Higher equity prices — much as the Pied Piper's music — continue to attract an ever-increasing number of followers."

He added that the "clear-cut consensus" that has evolved is that "One, DJIA of 1,400 during the first quarter is a cinch; two, equity participants can go for it with abandon for a while because the Fed is on their side; three, interest rates will continue to decline, but even if they don't, it won't matter much for a while; four, inflation is dead; five, dollar considerations are immaterial — no one knows what's going on anyway; and six, secondary/tertiary stocks are once again being perceived as value."

He warned that the expectation level among investors is higher than anytime in a decade, citing so-called sentiment indicators such as statistics showing that more than 60 percent of market advisory letters are bullish and that cash earmarked for investment in stocks by institutions is at low levels. "People become bullish after they've made their commitment — when they're already in the market," he said. "It's only before they invest that they're hesitant."

Philip J. Roth, technical analyst at E.F. Hutton, also is skeptical about Wall Street's 1985 advance, putting him at odds, too, with his firm's basically bullish views.

"In the face of the general euphoria," he said, "the market's rate of gain is slowing appreciably." He noted that in January, stocks as measured by the New York Stock Exchange Composite Index climbed 9 percent, while in the first two weeks of February the gain was only 2 percent. "Buying is becoming much more selective," he said, "with a lot of stocks starting to correct, like computer issues did last week."

Mr. Roth, whose longer view is more positive, said his advice to investors now is "to be at least as concerned with taking profits as with looking for new buy ideas."

Profit-taking, he said, should be directed at these groups: banks, insurance, aerospace, publishing, specialty retailing and hotels.

Ernst-Otto Nedelmann, in charge of investment at Hamburg's (Continued on Page 13, Col. 5)

Currency Rates

Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates of 2 P.M.

	\$	DM	FF	Y	£	S	Y
Amsterdam	3.7425	112.35	37.45	112.35	1.633	5.432	123.60
Brussels	46.79	38.180	37.78	37.78	1.728	5.432	123.60
Frankfurt	2.222	3.5	32.95	1.41	83.3	4.75	111.84
London	1.007	2.486	11.463	2.257	1.01	7.21	2.045
Milan	2,052.50	2,041.00	617.90	2,041.00	54.65	30.713	79.20
New York	1.00	1.936	6.553	1.936	0.736	2.54	261.35
Paris	16.75	11.09	3.252	10.918	2.26	6.855	1.274
Tokyo	160.75	285.00	76.54	25.71	12.76	9.23	291.38
Zurich	2.818	2.072	84.70	2.072	1.321	74.30	4.745
1 SDR	1.674	2.284	4.898	1.205	5.212	4.779	1.865
1 SDR	1.9906	2.7792	5.9777	2.7792	1.82	6.672	2.701

Dollar Values

	U.S.	DM	FF	Y	£	S	Y
100 U.S.	100	163.33	333.33	100	100	100	100
100 DM	61.09	100	163.33	100	61.09	61.09	61.09
100 FF	30.03	61.09	100	100	30.03	30.03	30.03
100 Y	100	163.33	333.33	100	100	100	100
100 £	100	163.33	333.33	100	100	100	100
100 S	100	163.33	333.33	100	100	100	100
100 Y	100	163.33	333.33	100	100	100	100

Interest Rates

Eurocurrency Deposits

	1M	3M	6M	9M	12M
1M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
3M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
6M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
9M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
12M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4

Asian Dollar Rates

	1M	3M	6M	9M	12M
1M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
3M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
6M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
9M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
12M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4

Key Money Rates

	1M	3M	6M	9M	12M
1M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
3M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
6M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
9M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
12M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4

West Germany

	1M	3M	6M	9M	12M
1M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
3M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
6M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
9M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
12M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4

France

	1M	3M	6M	9M	12M
1M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
3M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
6M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
9M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
12M	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4

Markets Closed

All markets were closed Wednesday in Hong Kong, Singapore, Malaysia and Taiwan because of the Chinese New Year holiday.

Car Quota For Japan In Dispute

Reagan Urged To Stand Aside

By Stuart Auerbach
and David Hoffman
Washington Post Service

WASHINGTON — A cabinet-level committee unanimously recommended Tuesday that President Ronald Reagan should not pressure Japan to continue the so-called voluntary restraints on Japanese auto sales to the United States for a fifth year, administration sources said.

The recommendation, the first administration decision in one of the most explosive trade issues of recent years, will become an element in the overall review of trade relations with Japan.

Mr. Reagan "is more concerned about opening Japanese markets than in how to advise them on auto restraints," a White House official said. "He is looking at this in the overall trade context. He is comfortable with not moving specifically on auto restraints."

Thus the recommendation by the Cabinet Council on Commerce and Trade will not go directly to Mr. Reagan, but instead will be tied to the administration's larger efforts to open Japanese markets to highly competitive American products.

The recommendation that the president take a passive position on the car quotas came as key congressmen, organized labor and three of the four major U.S. auto-makers pressed the White House to continue past March 31 the restraints that limit auto sales by Japan in the United States to 1.85 million cars a year.

Pressures on the White House to push to renew the auto quotas intensified with the publication last month of the United States' record \$123.3 billion trade deficit, with Japan responsible for the largest single share of it, \$36.8 billion. Japan's auto sales of \$20 billion amounted to more than half of the trade deficit.

Senator John C. Danforth, Republican of Missouri, planned to introduce Wednesday a resolution with at least 30 cosponsors calling on the president to leave the auto restraints in place until Japan significantly increases its purchases of U.S. products.

American auto makers are split on whether to continue the restraints, with General Motors — which has made arrangements to import small autos from Japan — the only one to favor ending them.

Ford, Chrysler and American Motors, as well as the United Auto Workers, want the quotas continued. Those three automobile companies have threatened to drop planned investment in American facilities and to begin importing more foreign-made cars if the restraints are not retained.

Pickens, Jacobs Increase Shares In Unocal Corp.

The Associated Press

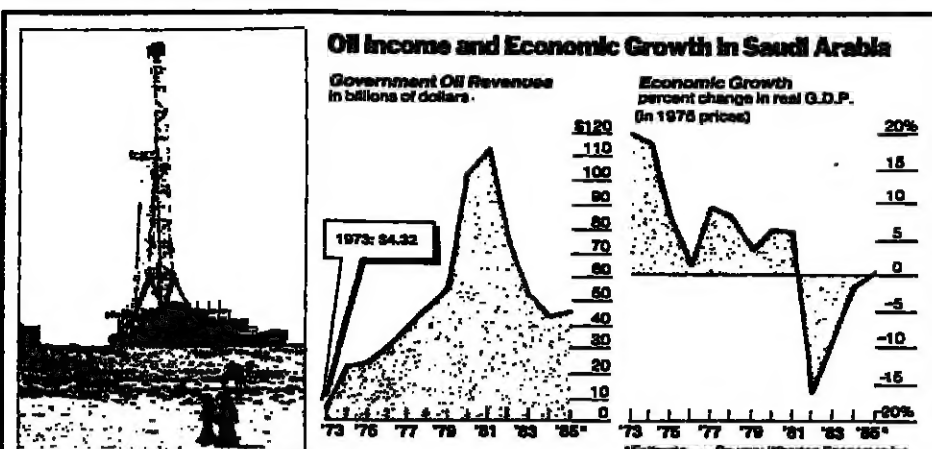
LOS ANGELES — An investor group led by the Texas oilman T. Boone Pickens has said that it has increased its holdings in Unocal Corp. to 8.5 percent, and Irwin L. Jacobs, a Minneapolis investor, said he has acquired a "substantial" stake in the firm.

Last Thursday, Mr. Pickens' group, Mesa Partners II, announced that it had acquired 7.9 percent of Unocal's outstanding shares for \$584 million and that it intended to spend another \$616 million to buy more stock. Unocal is the parent of Union Oil Co. of California.

David Batchelder, vice president for finance of Mr. Pickens' Mesa Petroleum Co. in Amarillo, Texas, said that the partnership filed amended documents late Tuesday with the U.S. Securities and Exchange Commission in Washington indicating the larger holdings.

Meanwhile, Mr. Jacobs said that he had acquired a "substantial" stake in Unocal, but he declined to specify how many shares he owns. He also declined to say whether he soon would file documents with the SEC as required when more than 5 percent of a company's stock is bought.

Mesa Partners said that it did not presently want to seek control of the energy concern, but suggested that Unocal might be a candidate for restructuring.



After a Booming Decade, Saudis Rein in Their Drained Economy

By Kenneth N. Gilpin
New York Times Service

NEW YORK — After a breathtaking decade, when rising oil revenues financed more than \$550 billion in development programs, Saudi Arabia is in the midst of a somewhat painful period of retrenchment, one that may last through the rest of the 1980's.

The sources of the problems are easily seen: declining oil revenues and the bankruptcy of the Iraqis in their war with Iran.

After peaking in 1981, government oil revenues have dropped sharply. Last year Saudi Arabia earned \$43 billion from its oil sales, \$70 billion less than it took in three years earlier.

Estimates vary on how much the Saudis have spent so far financing the Iraqi war effort, with numbers reaching as high as \$20 billion. With the decline in oil prices, there have been rumors in the oil markets that Saudi financial assistance has been ebbing, and that they have been increasing oil shipments to Iraq in lieu of money.

The Saudi government has said nothing about its financial role in the war, which began in September, 1980. As a result of these factors, government spending has slipped dramatically, and the economy has spent the last three years in recession.

In spite of continued softness in oil prices, economists at Wharton Economics currently are forecasting a five-tenths-of-1-percent increase in the kingdom's gross domestic product this year. Gross domestic product is the measure of the total

value of a nation's goods and services, excluding income from foreign investments.

The overall slide has had an impact on the Saudi population of 10 million. In 1981, per-capita gross domestic product stood at \$19,500. But by last year it had fallen to roughly \$13,000, according to estimates from the U.S. Embassy in Riyadh. The Saudi private sector, once growing vigorously, is in the midst of a violent shake-out. And foreign companies reportedly are experiencing payments delays of up to one year.

"Over the past 18 months there has been a 40-percent to 50-percent drop in gross domestic product," said one American banker, with responsibility for Saudi Arabia. "The government is out of money for this year's budget, and they have to wait until April before they get another one. I think they are hitting hard times."

With more than \$125 billion in reserves, including gold, and no foreign debt, the Saudi government could have cushioned the slowdown. But American businessmen, consultants and bankers suggest that the current turmoil is one that King Fahd, who was in Washington on a state visit last week, is not entirely displeased to be witnessing.

A member of the Saudi government told me recently that over the past 10 years they had begun to feel guilty, that things were coming too easily for them," said a former U.S. diplomat who now serves as a consultant for companies wanting to do business in Saudi Arabia. "Nobody is crying for (Continued on Page 13, Col. 1)

Income in U.S. Rose 0.5% in January

The Associated Press

WASHINGTON — Personal income in the United States rose 0.5 percent in January but was outstripped by a 0.6-percent increase in consumer spending, the government said Wednesday.

The income increase was attributed largely to pay raises for federal civilian and military employees and cost-of-living adjustments in several federal pension and other government benefit programs.

Without those and other factors, the Commerce Department report said, the January income increase would have been 0.1 percent. Income had been up 0.4 percent in December.

The consumer-spending figure continued a slight downward trend started in December, when there had been an 0.8-percent increase over the previous month. Consumer spending, which includes virtually everything except interest pay-

ments on debt, had been up 0.9 percent in November.

Analysts generally have agreed that relatively strong consumer spending has been the driving force in an economic rebound registered over the last several months.

Overall personal consumption spending increased \$13.5 billion in January compared with \$18.1 billion in December. But purchases of durable goods such as automobiles and appliances dipped \$1.6 billion in January, compared with a \$9.1-billion increase in December.

Because of an unusually cold January, following a mild December, purchases of services increased \$15.3 billion in January compared with a \$2.9-billion increase in December. When purchases of electricity and heating gas are removed, however, service purchases increased only \$7.1 billion in January — less than December's \$10.1 billion.

Private wages and salaries in-

creased at an annual rate of \$1.8 billion in January, compared with \$15.2 billion in December. But government wages and salaries increased \$4.6 billion in January, compared with \$1.6 billion in December.

A 3.5-percent pay raise for federal civilian personnel and a 4-percent raise for military personnel accounted for \$2.9 billion of the January increase. All of the monthly wage figures are translated to an annual rate for comparative purposes.

Farm income declined \$2.6 billion in January, compared with an increase of \$600 million in December. The department said the January decline and the December increase were due largely to subsidy payments.

Personal saving rose slightly to an annual rate of \$155 billion in January, compared with \$154.9 billion in December.

Fed Has Stopped Easier Policy, Volcker Testifies

By John M. Berry
Washington Post Service

WASHINGTON — The Federal Reserve Board chairman, Paul A. Volcker, said Wednesday that the central bank stopped easing its monetary policy last month, a step that means the five-month slide in short-term interest rates likely is over.

With both the money supply and the economy growing more rapidly than they were last fall, Mr. Volcker told the Senate Banking Committee, the easing of policy, which began last August and helped foster a 3-percentage-point drop in some rates, was ended to prevent "overshoots" in monetary growth and possible inflation problems later.

But in his testimony, Mr. Volcker also stressed that the Fed had not begun to tighten policy and that it intended to supply enough money and credit in 1985 for the economy to grow at a 3½-percent-to-4-percent pace. That should be fast enough for the unemployment rate — 7.4 percent last month — to fall below 7 percent by the fourth quarter of this year, he said.

The Open Market Committee, the Fed's policymaking group which met last week to review the economic outlook and set official targets for money supply growth for this year, expects the inflation rate also to be in the 3½-percent-to-4-percent range, Mr. Volcker said.

The committee reaffirmed the earlier growth target of 4 percent to 7 percent for the M-1, the nation's most closely watched measure of the money supply. The committee also decided that, given the recent slower pace of the economic expansion, that it would be better to have money growth somewhat faster than that early this year and slower later in the year.

Further, Mr. Volcker explicitly said that the sharp rise over the last three months in M-1 and M-2 had not left them too high relative to the Fed's targets.

The M-1 measure includes currency in circulation and cash-like checking deposits at financial institutions; M-2 is a broader measure that also includes savings deposits.

Other projections increased. Mr. Volcker also said that the Fed had decided to slightly increase the upper end of its targets for both M-2 and M-3, the broadest measure, which includes M-2, large time deposits and other items, United Press International reported from Washington.

Mr. Volcker said the new M-2 estimate for 1985 was increased by 0.5 percent to a range of 6 percent to 9 percent. The top range of M-3 also was increased by 0.5 percent from the Fed's July forecast to a range of 6 percent to 9.5 percent.

The M-1 actually grew at 5.2 percent rate in 1984, M-2 grew 7.7 percent and M-3 grew 10.5 percent. The money supply is critically

The Dollar Rises To New Highs Across Europe

The Associated Press

LONDON — The U.S. dollar continued its upward march on European foreign exchange markets Wednesday, shattering more records despite an announcement of a looser U.S. monetary policy.

The U.S. currency hit all-time highs against the French franc and Italian lira and rose to 13-year highs against the Deutsche mark and Dutch guilder. But it lost ground against the Swiss franc.

The British pound closed at \$1.087, equal to the pound's all-time European closing low set on Feb. 12 and lower than late Tuesday's \$1.093.

Currency dealers said the dollar dropped after the announcement that the U.S. Federal Reserve Board had decided to raise monetary growth rate targets for 1985. There were no reports of intervention by central banks Wednesday, but the dealers said West Germany's Bundesbank sold \$300 million Tuesday.

Dollar rates in late trading Wednesday in compared with Tuesday's late rates: 3,3280 DM, down from 3,3150; 2,8167 Swiss francs, down from 2,8190; 10,1675 French francs, up from 10,1525; 3,7685 Dutch guilders, up from 3,7585 and 2,057.62 Italian lire, up from 2,047.00.

important for the health of the economy. Outbacks in the supply, applied to fight inflation, can trigger a recession, but too much growth over time can create high inflation, with the right path between the two the responsibility of the Fed and the committee.

Mr. Volcker told the panel the new money supply growth figures "do not represent any change in policy intentions" and are expected to "support another year of satisfactory economic expansion without an acceleration of inflation."

He said that the projections assume that Congress will make some significant reductions in the federal budget deficit that would help dampen both interest rates and inflationary expectations.

It also assumes that the dollar, which has been breaking records with other foreign exchanges, would "fluctuate in a range encompassing its level of recent months."

Mr. Volcker said U.S. intervention in foreign exchange has "been quite limited" in recent weeks and had had a "useful, but limited influence." He said, "I think we ought to stand ready to do it," when circumstances indicate that intervention would be useful.

WE BELIEVE CONTAINERS BELONG IN YOUR INVESTMENT PORTFOLIO

PRIMARY PERIOD 5 YEARS

INCREASE YOUR WORKING CAPITAL 100% GUARANTEED

SECONDARY PERIOD 10 YEARS

RECEIVE EARNINGS OF 280% ON CASH INVESTED PROJECTED

TERMINATION PERIOD 15TH YEAR

RETURN OF CASH INVESTED 100% GUARANTEED

* Containers are high earning, fully insured, tangible assets with a 15 year working life.

* The Transco Group is the world's leader in producing the highest annual rental return with the lowest commercial risk.

* 2000 serious investors have already purchased containers worth over \$535 million which are managed by the Transco Group.

* These serious investors enjoy a secure US DOLLAR income from participation in international trade.

* DO NOT MISS THIS EXCEPTIONAL OPPORTUNITY TO ADD CONTAINERS TO YOUR INVESTMENT PORTFOLIO.

* For full details, without obligation, fill in our coupon today.

TRANS CONTAINER MARKETING AG

Gellerstrasse 18, CH-4052 Basel, Switzerland.

Tel: (061) 42.23.77

Telex: 64446 taco ch

MINIMUM US\$12,000 INVESTMENT

To: Trans Container Marketing AG

Gellerstrasse 18, CH-4052 Basel, Switzerland.

Please send me full details without obligation.

NAME: _____

ADDRESS: _____

TELEPHONE: _____

HOME: _____ OFFICE: _____

We are pleased to announce the following appointment:

Administrative Managing Director
M. JOHN DEMIRJIAN

L. F. ROTHSCHILD, UNTERBERG, TOWBIN
MEMBERS ALL LEADING EXCHANGES
55 Water Street, New York, New York 10041

Weekly net asset value

Tokyo Pacific Holdings N.V.

on February 19, 1985: U.S. \$137.62.

Listed on the Amsterdam Stock Exchange

Information: Pierson, Holding & Pierson N.V., Herengracht 214, 1016 BS Amsterdam.

NYSE Most Actives					
Vol.	High	Low	Last	Chg.	
IBM	128.15	127.50	128.13	+0.63	
AT&T	48.75	48.25	48.75	+0.50	
Amgen	125.00	124.00	125.00	+1.00	
Amgen	125.00	124.00	125.00	+1.00	
Amgen	125.00	124.00	125.00	+1.00	
Amgen	125.00	124.00	125.00	+1.00	
Amgen	125.00	124.00	125.00	+1.00	
Amgen	125.00	124.00	125.00	+1.00	
Amgen	125.00	124.00	125.00	+1.00	
Amgen	125.00	124.00	125.00	+1.00	

Dow Jones Averages					
Open	High	Low	Last	Chg.	
Indus	1280.15	1275.00	1283.13	+5.24	
Transp	438.75	435.00	438.75	+3.75	
Comp	522.00	519.00	524.74	+2.74	
NYSE	1280.15	1275.00	1283.13	+5.24	

NYSE Index					
High	Low	Close	Prev.	Chg.	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	

NYSE Closing					
Vol.	High	Low	Last	Chg.	
7,741,000	1283.13	1275.00	1283.13	+5.24	
7,741,000	1283.13	1275.00	1283.13	+5.24	
7,741,000	1283.13	1275.00	1283.13	+5.24	
7,741,000	1283.13	1275.00	1283.13	+5.24	
7,741,000	1283.13	1275.00	1283.13	+5.24	
7,741,000	1283.13	1275.00	1283.13	+5.24	
7,741,000	1283.13	1275.00	1283.13	+5.24	
7,741,000	1283.13	1275.00	1283.13	+5.24	
7,741,000	1283.13	1275.00	1283.13	+5.24	
7,741,000	1283.13	1275.00	1283.13	+5.24	

AMEX Diaries					
Class	Prev.	Chg.			
Advanced	12.50	+0.25			
Unchanged	12.50	0.00			
Total Issues	12.50	+0.25			
New Issues	12.50	+0.25			
Low Issues	12.50	+0.25			

NASDAQ Index					
Week	Year	Age	Age	Age	Age
1280.15	1275.00	1283.13	1277.89	1283.13	1277.89
1280.15	1275.00	1283.13	1277.89	1283.13	1277.89
1280.15	1275.00	1283.13	1277.89	1283.13	1277.89
1280.15	1275.00	1283.13	1277.89	1283.13	1277.89
1280.15	1275.00	1283.13	1277.89	1283.13	1277.89
1280.15	1275.00	1283.13	1277.89	1283.13	1277.89
1280.15	1275.00	1283.13	1277.89	1283.13	1277.89
1280.15	1275.00	1283.13	1277.89	1283.13	1277.89
1280.15	1275.00	1283.13	1277.89	1283.13	1277.89

AMEX Most Actives					
Vol.	High	Low	Last	Chg.	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	
1283.13	1275.00	1283.13	1277.89	+5.24	

NYSE Diaries					
Class	Prev.	Chg.			
Advanced	12.50	+0.25			
Unchanged	12.50	0.00			
Total Issues	12.50	+0.25			
New Issues	12.50	+0.25			
Low Issues	12.50	+0.25			

Volume on NYSE Turns Higher

United Press International
NEW YORK — The New York Stock Exchange was holding a modest gain late Wednesday, helped by a spurt in the stock of IBM which gave a psychological lift to other issues. The Dow Jones industrial average was up 2.76 to 1,283.35 shortly before 3 P.M. EST. Advances led declines 810-705 among the 1,971 issues crossing the NYSE tape. The five-hour Big Board volume amounted to 1.97 billion shares.

Although prices in tables on these pages are from the 4 P.M. close in New York, for time reasons this article is based on the market at 3 P.M.

about 98,600,000 shares, compared with 73,060,000 in the same period Tuesday. Before the stock market opened, the Department of Commerce reported personal income increased 0.5 percent in January after seasonal adjustment. The December figures were revised to an increase of 0.4 percent instead of an increase of 0.5 percent. The figures were affected by changes in the timing of government transfer payments, including a social security cost-of-living adjustment. The Federal Reserve Board chairman, Paul A. Volcker, told a Senate committee that the easing of bank reserve positions has ended. He added that the current stance does not amount to a tightening of policy. He also said the Federal Open Market Committee has not changed the target for the M-1 monetary measure. The upper bands for two broader measures, M-2 and M-3, were raised.

12 Month High Low Stock Div. Yld. PE					
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89

12 Month High Low Stock Div. Yld. PE					
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89

12 Month High Low Stock Div. Yld. PE					
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89

12 Month High Low Stock Div. Yld. PE					
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89

12 Month High Low Stock Div. Yld. PE					
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89

12 Month High Low Stock Div. Yld. PE					
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89

12 Month High Low Stock Div. Yld. PE					
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89

12 Month High Low Stock Div. Yld. PE					
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89
1283.13	1275.00	1283.13	1277.89	1283.13	1277.89

Where will you be without gold if the dollar drops again?

The "almighty dollar" today is not quite so almighty. Its recent fluctuations on foreign exchange markets may be just a hiccup. Or the beginning of the greenback's long-awaited decline. Whichever the case, Krug

BUSINESS ROUNDUP

Texaco Unit in Nigeria Cuts Output in Dispute

By Bob Hagerty

International Herald Tribune

LAGOS — A contract dispute with Nigerian National Petroleum Corp. has sharply reduced oil production from five offshore fields operated by a local affiliate of Texaco Inc., industry sources say.

Alex Nwokedi, NNPC's chief spokesman, confirmed Wednesday that Texaco was seeking to obtain certain benefits accorded to other foreign oil companies without accepting all the terms of a new contract they have signed. He said Texaco would have to accept the whole contract if it wanted to resume full production.

"They cannot intimidate this country and they cannot blackmail us," Mr. Nwokedi said.

A Texaco spokeswoman in New York said the state-owned NNPC recently ordered the Texaco unit, Texaco Overseas (Nigeria) Petroleum Co., to reduce production to a first quarter average of no more than 42,000 barrels a day from December's level of 80,000.

The Texaco spokeswoman said that relations with Nigeria remained amicable and that the company was optimistic about resolving the dispute. She declined to discuss details.

The oil involved accounts for

only a small part of Nigeria's average daily production of around 1.4 million barrels, but the dispute comes when Nigeria is straining to maximize its oil revenue in order to service its \$20 billion of foreign debt.

The five fields are owned 20 percent by Texaco, 20 percent by Chevron Corp. and 60 percent by NNPC.

In the past two years, NNPC has signed new contracts with most foreign oil companies operating here. These agreements allow the foreign companies to take NNPC's share of a field's production when the state oil company does not wish to do so itself. In such cases, the foreign companies are allowed to earn a profit of \$2 a barrel on NNPC's share after paying operating costs, taxes and royalties.

Some oil executives say this formula amounts to a \$2 discount on oil sold by NNPC, although NNPC disputes this interpretation.

Texaco has resisted the new contract partly because it considers certain elements too vague, a source said. At the same time, he said, Texaco is unwilling to continue producing at peak levels without obtaining the \$2 benefit received by others. "There's cheaper oil elsewhere," he noted.

AT&T to Extend Toll-Free Service To British Users

Reuters

WASHINGTON — American Telephone and Telegraph Co. announced Wednesday it would expand its international toll-free 800 telephone service network to include Britain and allow users there to place toll-free calls to the United States.

It said it had asked the Federal Communications Commission to approve a startup April 5. AT&T said British Telecommunications International PLC has been offering a similar toll-free service for callers from the United States since November.

It said U.S. subscribers under the AT&T service would pay \$84 (\$76.85) per hour or \$1.40 per minute, plus \$36.80 a line a month for connection to the AT&T network and \$50 a month for access to the British Telecom network.

AT&T Communications, based in Basking Ridge, New Jersey, also announced Tuesday that it had expanded its international direct-dial service to nine additional locations.

The locations are Gibraltar, Zimbabwe, Tanzania, Uganda, Swaziland, Zambia, Lesotho, Brunei and the islands of St. Pierre and Miquelon, off the Canadian coast.

Icahn Lists Backers in Phillips Bid

By Tamar Lewin

New York Times Service

NEW YORK — Carl C. Icahn, who is trying to take over Phillips Petroleum Co., filed Tuesday with the Securities and Exchange Commission a list of about 40 institutions providing him with \$1.5 billion of financing for his tender offer, his lawyers said. The filing appeared to be an effort to counter assertions by Phillips that Mr. Icahn lacks the financing he needs.

The list shows, according to Mr. Icahn's lawyers, that the two largest commitments have been made by First City Financial, which agreed to provide \$187 million, and the Pacific Investment Management Co., which agreed to provide \$145 million. The other commitments were for less than \$100 million each.

Mr. Icahn has made a tender offer of \$60 a share for 70 million common shares of Phillips.

Holdings of Phillips common stock will vote on their company's proposed recapitalization plan Friday at a special meeting.

Batterymarch Financial Management, which holds 1.5 million Phillips shares, or about 1 percent of the total, said Tuesday it would vote against the plan.

Harrison J. Goldin, the New York City Comptroller, announced Tuesday that he would vote the proxies for 334,600 Phillips shares, owned by city employees' unions, against the recapitalization plan.

Swiss Will Help In Sante Fe Probe

Reuters

BERN — Switzerland will aid the U.S. investigation of alleged insider trading in shares of Sante Fe International Co., the justice ministry said Wednesday.

The ministry said the government had turned down requests by several foreign nationals to refuse the U.S. appeal for legal aid.

The United States first sought Swiss help in March 1982, after Kuwait Petroleum Co. had bid to take over Sante Fe in 1981. While details of the takeover were being worked out, unknown persons placed orders to buy a large number of Sante Fe shares through Swiss banks and made substantial profits when the takeover was announced, the ministry said.

Instrumentarium Says 1984 Earnings Rose 1.2%

By Juris Kaza

International Herald Tribune

STOCKHOLM — Oy Instrumentarium AB, the Finnish maker of diagnostic scanners, optical equipment and hospital supplies, has reported that its operating earnings were little changed in 1984 from 1983.

However, in a preliminary report issued last week, Instrumentarium said that what it called earnings before reserves, less taxes, rose 57.8

percent to 95.3 million markkaa (\$13.8 million), from 60.4 million markkaa in 1983.

Operating earnings totaled 95.3 million markkaa, up 1.2 percent from 94.2 million markkaa in 1983. Instrumentarium's vice president, Antero Partanen, said that the net earnings increase was largely the result of improvement in the company's financial net, the sum of interest expense and interest income.

"Interest income was very high," Mr. Partanen said, mentioning the company's high cash and time-deposits position at the end of 1984.

Sales in 1984, adjusted for inflation, rose 13.9 percent to \$15.3 million markkaa from 716 million markkaa in 1983, Instrumentarium reported.

Mr. Partanen said that 1983 net earnings were burdened in part by an 11.6-million-markkaa fee paid

to Merrill Lynch & Co. for managing the Helsinki-based group's listing and share issue on the over-the-counter market in the United States.

Per-share earnings rose 45 percent to 22.54 markkaa from 15.34 markkaa in 1983, a figure which Mr. Partanen said was adjusted for a share dividend last December which gave a new share for every two old shares.

COMPANY NOTES

Olivetti SpA, the Italian electronics company, said that it has acquired a 49.3-percent stake in Acorn Computer Group PLC, a London-based educational computer company. Acorn said it plans to issue 27 new shares for every 20 existing shares at 8 pence per share to raise £12.1 million (\$13.2 million) for which Olivetti has agreed to subscribe.

Allied Corp. of Morristown, New Jersey, has introduced a new super-strength polymer fiber that it says is 10 times stronger than steel and resistant to ultraviolet light and sea-water deterioration.

Atomic Energy of Canada Ltd. said that it is laying off 540 employees at its nuclear reactor design offices in Montreal and Mississauga, Ontario, over the next 10 months. The government-owned company blamed the layoffs on reduced activity in the industry.

British Electric Traction Co. said it is renewing its bid for Initial PLC, another London-based industrial garment company, follow-

ing clearance by the British Monopolies Commission. British Electric already holds 42.2 percent of Initial's ordinary shares and 8 percent of preferred shares.

Boeing Aircraft Corp. of Seattle said that British Airways has ordered three more Boeing 757 jetliners. The airline previously bought 18 of the jets. Financial details of the new order were not disclosed.

Chrysler Corp. said it plans to transfer assembly of its Dodge Ramcharger utility trucks to Mexico City from Warren, Michigan, this autumn. A Chrysler spokesman said no jobs would be lost because pickup truck production would increase at the Warren plant.

Dai-ichi Kangyo Bank Ltd. of Tokyo said it is negotiating with the Island Development Bank Ltd. of Brunei to buy 20 percent of Island Development's outstanding shares. Dai-ichi said that it would be the first Japanese bank to have a presence in Brunei.

Daimler-Benz AG said it boosted

its world group turnover 8 percent last year to 43.3 billion Deutsche marks (\$13.08 billion) and posted a satisfactory parent company result despite a labor dispute and difficulties in the commercial vehicle field.

Esso SAF said that its Charmettes oilfield in the Brie Permet south of Paris is a commercial find and appears to be larger than the nearby Donnemarie field.

Exovir Inc. of Great Neck, New York, said it has been granted a U.S. patent for Exovir-FZ Gel, a product to combat recurring outbreaks of oral and genital herpes.

Pan American World Airways has broken off talks with the pilot's master executive council after rejecting the group's proposal for a new contract, the council says.

Toshiba Corp. of Tokyo said it plans to spend 20 billion yen (\$76.9 million) to set up a new 14-story electronic engineering center to improve semiconductor design. Construction of the new center, in Kawasaki, is expected to begin in June.

NEW ISSUE

These Notes having been sold, this announcement appears as a matter of record only.

FEBRUARY 1985

U.S. \$500,000,000



Crédit National

Guaranteed Floating Rate Notes Due 2000

Unconditionally guaranteed by

The Republic of France

Credit Suisse First Boston Limited

Banque Paribas Capital Markets

BankAmerica Capital Markets Group

Banque Nationale de Paris

Crédit Commercial de France

Girozentrale und Bank der österreichischen Sparkassen Aktiengesellschaft

Lloyds Bank International Limited

Mitsubishi Trust & Banking Corporation (Europe) S.A.

Sumitomo Trust International Limited

CAMEL FILTERS



The world's
fastest growing
international brand.

It's a whole new world.

Executives Learn How to Do Business, Asia Style

By Barbara Crossette

New York Times Service

BANGKOK — Most Americans are so unimpressed about Southeast Asia they couldn't tell you whether Singapore is north or south of Hong Kong, said David W. Clark, head of Lydall Inc. of Manchester, Connecticut, as he paused over coffee to explain to a group of Thai reporters why he and hundreds of other foreign business executives had descended on Bangkok last week.

Mr. Clark, whose company produces specialty fiber materials, filters and seals for industrial and medical use, is a member of the New York-based Young Presidents' Organization. Nearly 500 members of the international business group from more than 20 countries, with an equal number of spouses and friends, came to a weeklong study session on Southeast Asian cultures and economies.

Not everyone may have left here knowing the latitude of Singapore (it is south of Hong Kong) but they probably learned almost everything else, from how to plant rice and how to give a Buddhist monk to the laws governing joint-venture agreements in Thailand, Malaysia or Indonesia.

In between, they heard about poypany, business entertaining and Thai massage techniques. They also visited local companies and a dockside slum.

In the garden next to the conference hotel someone had installed a few tigers, elephants and pythons, which presumably served to demonstrate the unique risks in regional agriculture. Conference participants also learned about Bangkok's communications problems by trying to phone home.

The cream of Thailand's political and economic establishment and a host of regional scholars and officials made speeches or led seminars. So did Robert S. McNamara, former secretary of defense and former president of the World Bank; Kurt Waldheim, former secretary-general of the United Nations; Prince Norodom Sihanouk, former Cambodian head of state, and Malcolm Fraser, Australia's former Conservative prime minister, who attacked the Reagan administration's economic policies for the damage they have done in the rest of the world.

"A lot of these guys are big Republican contributors," an American official in Bangkok said of the organization's members, about 60 percent of whom come from the United States. They heard speaker after speaker voice criticisms of one or another American policy or practice.

"The American businessman is just beginning to learn that he will have to look at Southeast Asia as part of his market," Mr. Clark said, adding that the strength of the dol-

lar has made selling abroad increasingly difficult.

"The dollar thing crept up on them," he said, and they have seen some of their markets go away. "Unless you have roots here," Mr. Clark said, "your first use in the water now should probably be buying."

As one of the organizers of the Young Presidents' Organization, Mr. Clark had compiled a handsome Business Opportunities Directory to be distributed in Thailand. It described the companies represented at the conference, along with their existing or potential interest in the region. The aim was to facilitate contacts among small to medium-sized businesses in North America, Europe and Asia. Eighty percent of the Americans here last week had never been in Thailand.

Many of the members of the Young Presidents' Organization are heads of companies that are well below the scale of most multinationals but just right for smaller nations' needs, the conference organizers and local officials said.

To join the organization, a member must have become — before the age of 39 — a president, managing director or chief executive officer of a company employing more than 50 people. The company must have done \$4 million in sales, if the business is manufacturing; \$2.5 million in billings if it is a service company,

or \$80 million in assets for a financial institution.

The countries of Southeast Asia (with the exception of the Philippines) have some of the healthiest economic growth rates in the world, and most of the regional nations, with their free-enterprise economies, are eager for United States investment, both because of American strengths in certain developmental areas and as a balance to Japanese penetration of the region.

Ed Stanley, an executive compensation consultant from Portland, Oregon, who is president of the Young Presidents' Organization, said that countries often had problems finding decision-makers from medium-sized companies, which rarely had foreign operations.

"If you can match a country's development or technical needs to someone else's desire, you have an opportunity," he said in an interview.

Feeling on business ventures had begun to go out before the sessions began, Mr. Stanley said. Brian Lacey, the organization spokesman, reported that Thailand's Board of Investment had received about 100 applications by the end of last week from foreigners interested in pursuing business in the country.

Mr. Stanley said he was elated at what he viewed as a successful exercise in economic diplomacy.

Some Advisers Turn Bearish

(Continued from Page 7)

Berenberg Bank, is also inclined to believe that Wall Street's 1985 surge is a "final burst" rather than the start of a sustained advance.

While optimistic about most fundamentals in the American economy and basically positive about Wall Street, he sees the strong dollar weakening the competitiveness of U.S. companies, with this growing pressure on earnings undermining their stock market performance. "Profits could flatten this year, particularly for the multinationals," he said.

And as the value of the dollar soars, he added, the currency risk facing foreign investors increases. He is worried that the 12.5-percent gain over the last 12 months reaped

on Wall Street just by converting Deutsche marks into dollars to buy U.S. equities could be reversed.

Moreover, he pointed out that Wall Street, like many other world stock markets, is at an historic high, "another cautionary signal."

The only U.S. stocks being bought by the bank are companies with purely domestic operations: Burlington Northern, Delta Airlines and Atlantic Richfield. The multinationals, such as Philip Morris and IBM, are being sold.

For investors who have missed the Wall Street rally this year, Mr. Nedelmann offered this advice: "You may have lost an opportunity, but it is better than losing money by buying into a market that has peaked."

Chesebrough-Pond's Net Rose in 4th

United Press International

GREENWICH, Connecticut — Chesebrough-Pond's Inc., which plans to acquire Stauffer Chemical, said Wednesday that its fourth-quarter earnings rose to \$36.6 million, or \$1.07 per share, from \$29.8 million, or 84 cents per share, a year earlier. Sales rose to \$488.8 million from \$433.7 million.

The company said, however, that 1984 earnings dipped to \$119.5 million, or \$3.40 a share, from \$127.9 million, or \$3.58 a share in 1983.

Sales rose to \$1.9 billion from \$1.7 billion.

The company's chairman, Ralph E. Ward, said the 1984 earnings decline was due to "changes in the business environment for several operating divisions," increased interest expenses and the strength of the dollar.

Chesebrough announced Tuesday that it would take over Stauffer Chemical in a \$1.25 billion transaction financed entirely by a revolving credit agreement with several banks.

Company Earnings

Revenue and profits, in millions, are in local currencies unless otherwise indicated

Canada		Hawthorn-Packer		Northrop	
Revenue	1984	Revenue	1984	Revenue	1984
Algonquin Steel	1,200	Revenue	1,200	Revenue	1,200
4th Quarter	1,200	4th Quarter	1,200	4th Quarter	1,200
Profit	1,200	Profit	1,200	Profit	1,200
Per Share	1,200	Per Share	1,200	Per Share	1,200
Ford Canada		Hormel (Geo. A)		Perkin-Elmer	
Revenue	1,200	Revenue	1,200	Revenue	1,200
4th Quarter	1,200	4th Quarter	1,200	4th Quarter	1,200
Profit	1,200	Profit	1,200	Profit	1,200
Per Share	1,200	Per Share	1,200	Per Share	1,200
Moore		Loews		Philco-Solomon	
Revenue	1,200	Revenue	1,200	Revenue	1,200
4th Quarter	1,200	4th Quarter	1,200	4th Quarter	1,200
Profit	1,200	Profit	1,200	Profit	1,200
Per Share	1,200	Per Share	1,200	Per Share	1,200
South Africa		Impala Plac. Hlds		United States	
Revenue	1,200	Revenue	1,200	Revenue	1,200
4th Quarter	1,200	4th Quarter	1,200	4th Quarter	1,200
Profit	1,200	Profit	1,200	Profit	1,200
Per Share	1,200	Per Share	1,200	Per Share	1,200
Cheseb. Pond's		Crown Cork Seal		MCA	
Revenue	1,200	Revenue	1,200	Revenue	1,200
4th Quarter	1,200	4th Quarter	1,200	4th Quarter	1,200
Profit	1,200	Profit	1,200	Profit	1,200
Per Share	1,200	Per Share	1,200	Per Share	1,200
Deere		Firestone Tire		National Can	
Revenue	1,200	Revenue	1,200	Revenue	1,200
4th Quarter	1,200	4th Quarter	1,200	4th Quarter	1,200
Profit	1,200	Profit	1,200	Profit	1,200
Per Share	1,200	Per Share	1,200	Per Share	1,200
Freemont General		Morris-Knudsen		Unilever	
Revenue	1,200	Revenue	1,200	Revenue	1,200
4th Quarter	1,200	4th Quarter	1,200	4th Quarter	1,200
Profit	1,200	Profit	1,200	Profit	1,200
Per Share	1,200	Per Share	1,200	Per Share	1,200

After a Booming Decade, Saudis Must Rein in Their Drained Economy

(Continued from Page 7)

them, and they aren't crying for themselves."

The oil-financed development has been almost unprecedented. "In an economic sense, the Saudis have moved from the 18th century into the 20th century in 10 years," said an economist at a New York bank, who asked not to be identified. "They wanted to prove to the world that they could do it. Now, all of a sudden, they are like everybody else, and are scrutinizing costs and moving ahead much more carefully. For foreign firms,

this is no longer a wonderland of easy money."

Vahan Zanoian, director of Middle East Services at Wharton Economics, said that "the transition could have taken place much more gradually if oil revenues hadn't dropped so dramatically in the past few years."

"Right now, the Saudis are at a juncture in which the entire economy is changing gears, from a construction-based growth economy into a much more sober, production-based economy," Mr. Zanoian said. "All of the investments

made in industry, infrastructure and the like now have to start paying off. In making a major transition like this, attitudinal changes have to take place as well as institutional ones."

In addition to its transition from an economy in which government spending plays an overriding role to one placing much greater emphasis on the private sector, Saudi Arabia now is promoting technol-

ogy transfer through a new set of joint-venture guidelines for foreign companies.

In a circular issued last year, Sheikh Mohammed Ali Aba Khalil, Minister of Finance and National Economy, stipulated that individual contractors, companies and Saudi joint ventures were obliged to subcontract a minimum of 30 percent of their operations to Saudi contractors.

Foreign contractors are allowed to import their own used equipment, but are otherwise required to purchase necessary machines and equipment from Saudi agents.

But the private sector that Saudi Arabia is counting on to spur its future growth is much smaller than it was even two years ago. Over the past 18 months, acute cash flow problems caused some 1,500 companies to either go out of

business or ask for emergency financing due to cutbacks in government spending and the resulting squeeze on the private sector, said David T. Mizrahi, editor of the Middle East Reporter, a New York-based newsletter.

"We have some problem loans," the American banker admitted. "Companies can't go through this sort of deflation without being impacted."

Trafalgar House Plans Offering of 57 Million Shares

International Herald Tribune

LONDON — Trafalgar House PLC, seeking to expand its oil and gas operations, announced Wednesday a rights offering of shares to raise about \$175 million (\$191 million).

The construction, shipping, property and energy company, which is based in London, said the \$175 million new ordinary shares will be offered at 315 pence a share on the basis of one for every five already held. On the London Stock Exchange, Trafalgar shares fell 12 pence Wednesday to close at 356 pence.

Trafalgar also announced a takeover bid of \$37.2 million, or 240 pence a share, for Haden PLC, an engineering and metal-finishing concern. The board of Haden, whose shares rose 46 pence to close at 280 pence, rejected the bid as "opportunistic, totally unsolicited and unwelcome."

Trafalgar, which owns London's Ritz Hotel and the cruise ship Queen Elizabeth 2, forecast that it would increase its interim dividend, payable in July, to 5.4 pence from 4.7 pence last year.

THE NOMURA SECURITIES CO., LTD. (CDRe)

The undersigned announces that the Annual Report for September 30th, 1984 of The Nomura Securities Co., Ltd. will be available in Amsterdam at: Pierson, Hedding & Pierson N.V., Algemene Bank Nederland N.V., Amsterdam-Rotterdam Bank N.V., Bank Mees & Hope N.V., Kas-Associatie N.V.

AMSTERDAM DEPOSITORY COMPANY N.V.

Amsterdam, February 15th, 1985.

ATTORNEY needed to serve as

SPECIALIST IN COPYRIGHT

Trademark and intellectual property matters for American film industry.

To be based in Rome with extensive travel in Mediterranean and Middle East countries.

Must write and speak fluent Arabic and English, and have international legal experience applicable to these regions. Background in intellectual property field recommended.

Please send resume to:

Box 201, International Herald Tribune, Via Della Mercede 55, 00187 ROMA.

EXECUTIVES AVAILABLE

ANPE

L'Agence Nationale Pour l'Emploi

AGENCE SPECIALISEE DES INGENIEURS ET CADRES

12 Rue Blanche, 75436 Paris CEDEX 09.

Tel.: 280.61.46. Ext. 71-285.44.40. Ext. 42.

DEPUTY GENERAL MANAGER of a civil engineering contracting company (in France and abroad), French, C.E., 52, in search of similar position in SEC or of management of a medium/small industrial company. Ref: 406-PARIS CADRES 1/J.V.

EUROPEAN EXECUTIVE OVER 30 years experience ASIA, fluent English, French, Italian, Knowledge Chinese, SEC-ING challenging managerial position S.E. Asia, Hong-Kong, China, U.S.A. in consultancy, international, contract, imp./exp., shipping, ship owning and connected industries, marketing, banking, administration, legal matters, familiar with trade, investments in China. Ref: 401-PARIS CADRES 1/J.C.R.

INTERNATIONAL SALES/MARKETING EXECUTIVE available, British, 46, private pilot, 1984 MBA/MS management degree, fluent in English, French, German, Spanish, 20 years experience direct sales of industrial products, agent network supervision, willing to travel/relocate to U.S.A., CANADA, AUSTRALIA, N.Z., U.K. Available immediately. Ref: 399-PARIS CADRES 1/J.C.R.

SENIOR MECHANICAL ENGINEER, with French and American graduations, 30 years of practice, French citizen, seen few for Paris area or international missions, proposes any kind of collaboration in mechanical companies or consultant offices, temporary or unlimited contract, (last job: Renault, 1,000,000 m². Ref: 405-PARIS CADRES 1/J.C.R.)

Opportunities in Systems Analysis and Development

Oil/Petrochem Gulf States
£30,000 to £40,000
tax free + full ex-patriate benefits

A major oil company in the Gulf is currently re-organising its group structure by giving substantial autonomy to its 20 operating units and subsidiaries and by creating a central headquarters to exercise overall policy control.

This re-organisation has led to the creation of an expanded systems and procedures division to analyse, measure and control all aspects of the financial and administrative systems in head office and the group companies.

Opportunities for senior systems analysts exist in three main areas, financial systems, policy and procedures and work management. Ideally, comparable experience would have been gained in a large and highly sophisticated company or as a consultant. The successful candidate will possess at least two of the following:

- a degree in computer science
- an accounting qualification

- a production engineering (or work measurement) qualification
- large computer systems and project management experience
- experience of measuring administrative efficiency and developing large scale office procedures.

Fluency in spoken and written English and highly developed interpersonal skills are essential. The salaries are fully negotiable and contracts, initially for two years, will be renewable thereafter on an annual basis.

Please write, enclosing c.v. to Christopher S. Bainton, Executive Selection Division, Peat Marwick Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD quoting reference 5959/L.

PEAT MARWICK

SALES MANAGER - FRANCE

for U.S. high technology Engineering company

Paris based.

this area position involves considerable travel throughout France to generate a rapid and significant presence in the market. Additional responsibilities include setting up and managing a small sales office, and meeting sales and profit goals.

Applicants must demonstrate a successful career in sales and should be qualified to degree level in engineering (or related subject). Complete fluency in English is essential.

(Preferred age range 28-35)

The excellent package includes attractive salary, incentive bonus and car.

Applications with detailed C.V. to:

Box 034798, IHT, 63 Long Acre, London WC2E 9JH.

Major Challenge for a Divisional Managing Director

High-Tech

Our client is the French subsidiary of a fast growing international group manufacturing High Tech equipment for the electronic, space and aeronautical industries.

Its future development strategy now require the appointment of a divisional Managing Director. He will have overall responsibility for the industrial, marketing and sales development, within the profit centre, particularly in respect to increased foreign market penetration.

A Business School degree, fluency in English and a demonstrable record of industrial and sales achievements with major national and international clients are required for this strategic position. Significant international career opportunities are open for the successful candidate able to contribute to the development of the division. A highly competitive remuneration and benefits package will be provided.

Full career details should be sent quoting reference n° HT 37502 to Nicole Le Breully TEG 18 place Henri Bergson - 75008 Paris.



The Norwegian Agency for International Development (NORAD) recruits personnel for positions in the following African countries: Kenya, Tanzania, Zambia, Mozambique, Botswana and Madagascar.

MOZAMBIQUE

Within the framework of the Norwegian development assistance to Mozambique, NORAD has been requested to provide technical assistance to the shipping administration. This assistance is administered by the Ministry of Railways, Ports and Merchant Navy.

The following vacancy is now to be filled:

Coastal Transport Adviser

(project code MOZ 034)

Duties:

- Assess and define the status of the coastal transport sector (transport technology, economy, administration);
- Assist in developing river transport and the local coastal transport;
- Analyse conditions within coastal and overseas transport;
- Supervise the work being done by the various Ministry divisions;
- Assist in the co-ordination of international assistance.

Qualifications:

- Relevant university degree and experience from the shipping sector (private and/or public), planning and administrative experience, preferably from the sector of shipping administration.

Duty station: Maputo.

Language: Portuguese/English. Language training will be given.

Duration: Two years.

Date required: According to agreement.

Basic salary: £ 20528 - £ 22191. The salary is subject to taxation in Norway. In addition, an installation grant, overseas and family allowances will be paid.

Closing date: March 15.

Application forms and further information regarding salary, allowances, housing, school facilities etc. may be obtained from the Personnel Division, Ms. Kjersti Berre, tel. 47-2-31 45 24 or 31 45 50.

NORAD

Personnel Division

P.B. 8142-Dep.

0033 Oslo 1

Norway

Tel. 31 40 55



Direktoratet for utviklingshjelp

Tel. 31 40 55

NORAD

Personnel Division

P.B. 8142-Dep.

0033 Oslo 1

Norway

Tel. 31 40 55

NORAD

Personnel Division

P.B. 8142-Dep.

0033 Oslo 1

Norway

Tel. 31 40 55

NORAD

Personnel Division

P.B. 8142-Dep.

0033 Oslo 1

Norway

Tel. 31 40 55

